SENATE JOURNAL

EIGHTY-FIFTH LEGISLATURE — REGULAR SESSION

AUSTIN, TEXAS

PROCEEDINGS

SIXTY-FIFTH DAY
(Continued)
(Friday, May 26, 2017)

AFTER RECESS

The Senate met at 1:45 p.m. and was called to order by Senator Hancock.

Pastor Dan Martin, Chase Oaks Church, Fairview, offered the invocation as follows:

> Heavenly Father, I am thankful for the men and women in this room. I am thankful for the skills and abilities that You have entrusted to them and for the dedication to this great state that they have already demonstrated. I pray that You would grant to this legislative body uncommon wisdom as they lead and make decisions that affect so many. I ask for Your protection and Your blessing upon these leaders as well as their families and the communities they serve. Grant to each person in this room the grace, the humility, and the courage they need to lead well today. It's in Jesus' name that I pray. Amen.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER
Austin, Texas
Friday, May 26, 2017 - 1

The Honorable President of the Senate
Senate Chamber
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

HCR 130 Hefner
Commemorating the 100th anniversary of the first aircraft landing at Mineola-Wisener Field Airport in Wood County.

HCR 132 Sanford
Congratulating artist Colin Kimball of McKinney on his receipt of a Distinguished Citizen Medal from the Daughters of the American Revolution.

HCR 138 Dean
Commemorating the 40th annual Great Texas Balloon Race in Gregg County.

HCR 139 Frullo
Honoring Captain Carl H. Isett on the event of his retirement from the United States Navy Reserve.

HCR 145 Klick
Congratulating Gregory D. Watson on having the overall course grade for his 1982 University of Texas American government class elevated from a C to an A after a wait of 35 years.

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 34 (140 Yeas, 3 Nays, 2 Present, not voting)

HB 156 (140 Yeas, 5 Nays, 2 Present, not voting)

HB 208 (141 Yeas, 3 Nays, 2 Present, not voting)

HB 240 (141 Yeas, 2 Nays, 2 Present, not voting)

HB 245 (137 Yeas, 8 Nays, 2 Present, not voting)

HB 249 (140 Yeas, 0 Nays, 3 Present, not voting)

HB 435 (136 Yeas, 9 Nays, 2 Present, not voting)

HB 1081 (101 Yeas, 41 Nays, 2 Present, not voting)

HB 1162 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 1569 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 1629 (140 Yeas, 4 Nays, 2 Present, not voting)

HB 1816 (141 Yeas, 1 Nays, 2 Present, not voting)

HB 2703 (136 Yeas, 9 Nays, 2 Present, not voting)

HB 2875 (143 Yeas, 3 Nays, 2 Present, not voting)

HB 2938 (137 Yeas, 7 Nays, 2 Present, not voting)

HB 3052 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 3069 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 3165 (145 Yeas, 0 Nays, 2 Present, not voting)

HB 3215 (145 Yeas, 0 Nays, 2 Present, not voting)

HB 3254 (124 Yeas, 20 Nays, 2 Present, not voting)

HB 3281 (123 Yeas, 20 Nays, 2 Present, not voting)

HB 3295 (140 Yeas, 0 Nays, 2 Present, not voting)

HB 3342 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 3576 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 3593 (112 Yeas, 27 Nays, 2 Present, not voting)

HB 3675 (142 Yeas, 0 Nays, 2 Present, not voting)

HB 4102 (140 Yeas, 4 Nays, 2 Present, not voting)

HB 4303 (129 Yeas, 15 Nays, 2 Present, not voting)

HB 4334 (120 Yeas, 24 Nays, 2 Present, not voting)

HB 4347 (131 Yeas, 12 Nays, 2 Present, not voting)

THE HOUSE HAS REFUSED TO CONCUR IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

HB 557 (non-record vote)
House Conferees: Collier - Chair/González, Mary/Minjarez/Thompson, Senfronia/White

HB 810 (non-record vote)
House Conferees: Parker - Chair/Coleman/Geren/Springer/Zerwas

HB 931 (non-record vote)
House Conferees: Miller - Chair/Cook/King, Ken/Paddie/Rodriguez, Eddie

HB 1823 (non-record vote)
House Conferees: Canales - Chair/Collier/Longoria/Lozano/Raymond

HB 2101 (non-record vote)
House Conferees: Frullo - Chair/Herrero/Kuempel/Paddie/Thompson, Senfronia

HB 2304 (non-record vote)
House Conferees: Guillen - Chair/Clardy/Goldman/Kuempel/Muñoz, Jr.

HB 2442 (non-record vote)
House Conferees: King, Ken - Chair/Bernal/Dutton/Huberty/VanDeaver

HB 2445 (non-record vote)
House Conferees with Instructions:
Stucky - Chair/Bonnen, Dennis/Darby/Raymond/Springer

HB 2994 (non-record vote)
House Conferees: Ashby - Chair/Howard/Lozano/Phelan/Rodriguez, Justin

HB 3083 (non-record vote)
House Conferees: Price - Chair/Darby/Larson/Raymond/Thompson, Senfronia

HB 3292 (non-record vote)
House Conferees: Klick - Chair/Anderson, Charles "Doc"/Collier/Frank/Guillen

HB 3526 (non-record vote)
House Conferees: Howard - Chair/Ashby/Bernal/Bohac/Huberty

HB 4345 (non-record vote)

House Conferees: Rodriguez, Eddie - Chair/Howard/Israel/Uresti, Tomas/Workman

THE HOUSE HAS TAKEN THE FOLLOWING OTHER ACTION:

HB 2962
Pursuant to Rule 13, Section 5A of the Rules of the Texas House, 85th Legislature, the house hereby returns house bill 2962 to the senate for further consideration due to non germane amendments.

HB 4064
Pursuant to Rule 13, Section 5A of the Rules of the Texas House, 85th Legislature, the house hereby returns house bill 4064 to the senate for further consideration due to non germane amendments.

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

GUESTS PRESENTED

Senator Perry was recognized and introduced to the Senate Texas Tech University legislative interns.

The Senate welcomed its guests.

PHYSICIAN OF THE DAY

Senator Birdwell was recognized and presented Dr. Lesca Hadley of Cleburne as the Physician of the Day.

The Senate welcomed Dr. Hadley and thanked her for her participation in the Physician of the Day program sponsored by the Texas Academy of Family Physicians.

REPORT OF COMMITTEE ON NOMINATIONS

Senator Birdwell submitted the following report from the Committee on Nominations:

We, your Committee on Nominations, to which were referred the following appointments, have had same under consideration and report them back to the Senate with a recommendation that they be confirmed:

Members, Board of Directors, Brazos River Authority: Russel Darrell Boles, Williamson County; Cynthia A. Flores, Williamson County; Charles Richard Huber, Hood County; James P. Lattimore, Palo Pinto County; Wesley David Lloyd, McLennan County; John Henry Luton, Hood County; William John Rankin, Washington County; Jarrod David Smith, Brazoria County; Jeffrey Scott Tallas, Fort Bend County; William Winford Taylor, McLennan County.

Members, Board of Directors, Guadalupe-Blanco River Authority: Ronald James Hermes, Guadalupe County; Thomas Owen Mathews, Kendall County; Dennis Lynn Patillo, Victoria County.

Commissioners, Jefferson and Orange County Board of Pilot Commissioners: Charles Edward Holder, Orange County; William Gates Jenkins, Jefferson County; James Michael Scott, Jefferson County; Shawn Michael Sparrow, Jefferson County; Milton Bradley Taylor, Orange County.

Members, Board of Directors, Lavaca-Navidad River Authority: Sandra Y. Johs, Jackson County; Ronald Edwin Kubecka, Jackson County; Scott H. Sachtleben, Jackson County.

Member, Board of Directors, Lower Colorado River Authority: Stephen Frank Cooper, Wharton County.

Members, Board of Directors, Lower Neches Valley Authority: Lonnie Bee Grissom, Tyler County; Kal Anthony Kincaid, Jefferson County; Steven Robert Lucas, Jefferson County; Virginia Mays Pate, Jefferson County; Juanita Jean Thomas Turk, Hardin County.

Members, Board of Directors, Red River Authority of Texas: Todd Wayne Boykin, Randall County; Jerry Bob Daniel, Knox County; George Wilson Scaling, Clay County.

Members, Board of Directors, Sabine River Authority of Texas: Cary McClure Abney, Harrison County; Jeanette Lynne Sterner, Wood County; Laurie Etzel Woloszyn, Gregg County.

Member, Board of Directors, San Antonio River Authority: Lynn Fagan Murphy, Bexar County.

Members, Board of Directors, San Jacinto River Authority: Ronald Wyatt Anderson, Chambers County; Fredrick Donald Koetting, Montgomery County; Gary Thomas Renola, Harris County.

Member, Board of Directors, Sulphur River Basin Authority: Catherine A. Stedman, Titus County.

Members, Texas Board of Respiratory Care: Timothy Rae Chappell, Collin County; Joe Ann Clack, Ford Bend County; Latana Tamichi Jackson-Woods, Dallas County; Sam Gregory Marshall, Guadalupe County; Debra Elaine Patrick, Harris County; Shad Joseph Pellizzari, Williamson County; Kandace D'Ann Pool, Tom Green County; Sonia Kay Sanderson, Jefferson County; James Martin Stocks, Smith County.

Members, Texas Commission on Law Enforcement: Kimberley Ann Lemaux, Tarrant County; Sharon Breckenridge Thomas, Bexar County; Timothy H. Whitaker, Fort Bend County.

Members, Board of Trustees, Texas County and District Retirement System: Charles Christopher Davis, Cherokee County; Deborah M. Hunt, Williamson County; William Michael Metzger, Dallas County.

Members, State Board of Trustees, Texas Emergency Services Retirement System: Courtney Gibson Bechtol, Aransas County; Virginia K. Moore, Brazoria County; Pilar Rodriquez, Hidalgo County.

Texas Judicial Council: Sonia Velasco Clayton, Harris County; Kenneth Scott Saks, Bexar County; Evan Andrew Young, Travis County.

Members, Texas State Board of Examiners of Marriage and Family Therapists: Kenneth V. Bateman, Dallas County; Evelyn Husband Thompson, Harris County.

Members, Texas State Board of Examiners of Professional Counselors: Loretta Jean Bradley, Lubbock County; Brenda Sanchez Compagnone, Bexar County; Christopher Scott Taylor, Dallas County.

Members, Texas State Board of Examiners of Psychologists: John Kolbe Bielamowicz, Ellis County; Susan Fletcher, Collin County; Ronald Steven Palomares, Dallas County.

Members, Texas State Board of Public Accountancy: Ross Thomas Johnson, Harris County; Timothy Lee LaFrey, Travis County; Alice Roselyn Everts Morris, Hays County; Benjamin Pena, Hidalgo County; Kimberly Ehresman Wilkerson, Lubbock County.

Members, Texas State Board of Social Worker Examiners: Brian Cody Brumley, Lamar County; Beverly Jackson Loss, Fannin County; Benny W. Morris, Johnson County; Martha Rightmer Mosier, Brazos County.

Members, Texas State Library and Archives Commission: Larry Gene Holt, Brazos County; Martha Wong, Harris County.

Member, Texas Veterans Commission: Kevin Barber, Harris County.

Member, Board of Regents, Texas Woman's University: Ann Scanlon McGinity, Brazoria County.

Members, Texas Workforce Commission: Julian Alvarez, Cameron County; Ruth Ruggero Hughs, Travis County.

Members, Board of Directors, Trinity River Authority of Texas: Whitney Deason Beckworth, Tarrant County; John Walter Jenkins, Chambers County; Victoria Kristen Lucas, Kaufman County; Ronald Maxwell, Houston County; Robert Finley McFarlane, Anderson County; Emanuel Joseph Rachal, Polk County; William Overton Rodgers, Tarrant County; Frank H. Steed, Navarro County; Edward Williams, Dallas County.

Members, Board of Directors, Upper Guadalupe River Authority: Aaron Clark Bulkley, Kerr County; Diane Lund McMahon, Kerr County; James Musgrove, Kerr County; William Raymond Rector, Kerr County; Blake W. Smith, Kerr County.

Members, Board of Directors, Upper Neches River Municipal Water Authority: Jay Steven Herrington, Anderson County; Milton Phillip Jenkins, Anderson County.

Member, Veterans' Land Board: Grant Austin Moody, Bexar County.

NOTICE OF CONSIDERATION OF NOMINATIONS

Senator Birdwell gave notice that he would tomorrow submit to the Senate for consideration nominations to agencies, boards, and commissions of the state.

GUEST PRESENTED

Senator Miles was recognized and introduced to the Senate his intern, Yumna Khan.

The Senate welcomed its guest.

GUESTS PRESENTED

Senator Bettencourt, joined by Senator Watson, was recognized and introduced to the Senate Jared and Genevieve Padalecki.

The Senate welcomed its guests.

SENATE RESOLUTION 914

Senator Zaffirini offered the following resolution:

SR 914, Recognizing Jon Weizenbaum on the occasion of his retirement.

ZAFFIRINI
WATSON

The resolution was read and was adopted without objection.

GUEST PRESENTED

Senator Zaffirini was recognized and introduced to the Senate Jon Weizenbaum.

The Senate welcomed its guest.

SENATE BILL 8 WITH HOUSE AMENDMENTS

Senator Schwertner called **SB 8** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 8** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to certain prohibited abortions and the treatment and disposition of a human fetus, human fetal tissue, and embryonic and fetal tissue remains; creating a civil cause of action; imposing a civil penalty; creating criminal offenses.

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

SECTION 1. Chapter 171, Health and Safety Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. PARTIAL-BIRTH ABORTIONS

Sec. 171.101. DEFINITIONS. In this subchapter:

(1) "Partial-birth abortion" means an abortion in which the person performing the abortion:

(A) for the purpose of performing an overt act that the person knows will kill the partially delivered living fetus, deliberately and intentionally vaginally delivers a living fetus until:

(i) for a head-first presentation, the entire fetal head is outside the body of the mother; or

(ii) for a breech presentation, any part of the fetal trunk past the navel is outside the body of the mother; and

(B) performs the overt act described in Paragraph (A), other than completion of delivery, that kills the partially delivered living fetus.

(2) "Physician" means an individual who is licensed to practice medicine in this state, including a medical doctor and a doctor of osteopathic medicine.

Sec. 171.102. PARTIAL-BIRTH ABORTIONS PROHIBITED. (a) A physician or other person may not knowingly perform a partial-birth abortion.

(b) Subsection (a) does not apply to a physician who performs a partial-birth abortion that is necessary to save the life of a mother whose life is endangered by a physical disorder, physical illness, or physical injury, including a life-endangering physical condition caused by or arising from the pregnancy.

Sec. 171.103. CRIMINAL PENALTY. A person who violates Section 171.102 commits an offense. An offense under this section is a state jail felony.

Sec. 171.104. CIVIL LIABILITY. (a) Except as provided by Subsection (b), the father of the fetus or a parent of the mother of the fetus, if the mother is younger than 18 years of age at the time of the partial-birth abortion, may bring a civil action to obtain appropriate relief, including:

(1) money damages for physical injury, mental anguish, and emotional distress; and

(2) exemplary damages equal to three times the cost of the partial-birth abortion.

(b) A person may not bring or maintain an action under this section if:

(1) the person consented to the partial-birth abortion; or

(2) the person's criminally injurious conduct resulted in the pregnancy.

Sec. 171.105. HEARING. (a) A physician who is the subject of a criminal or civil action for a violation of Section 171.102 may request a hearing before the Texas Medical Board on whether the physician's conduct was necessary to save the life of a mother whose life was endangered by a physical disorder, physical illness, or physical injury, including a life-endangering physical condition caused by or arising from the pregnancy.

(b) The board's findings under Subsection (a) are admissible in any court proceeding against the physician arising from that conduct. On the physician's motion, the court shall delay the beginning of a criminal or civil trial for not more than 60 days for the hearing to be held under Subsection (a).

Sec. 171.106. APPLICABILITY. A woman on whom a partial-birth abortion is performed or attempted in violation of this subchapter may not be prosecuted under this subchapter or for conspiracy to commit a violation of this subchapter.

SECTION 2. Subtitle H, Title 2, Health and Safety Code, is amended by adding Chapter 173 to read as follows:

CHAPTER 173. DONATION OF HUMAN FETAL TISSUE

Sec. 173.001. DEFINITIONS. In this chapter:

(1) "Authorized facility" means:

(A) a hospital licensed under Chapter 241;

(B) a hospital maintained or operated by this state or an agency of this state;

(C) an ambulatory surgical center licensed under Chapter 243; or

(D) a birthing center licensed under Chapter 244.

(2) "Human fetal tissue" means any gestational human organ, cell, or tissue from an unborn child. The term does not include supporting cells or tissue derived from a pregnancy, associated maternal tissue that is not part of the unborn child, the umbilical cord, or the placenta.

Sec. 173.002. APPLICABILITY. This chapter does not apply to:

(1) human fetal tissue obtained for diagnostic or pathological testing;

(2) human fetal tissue obtained for a criminal investigation;

(3) human fetal tissue or human tissue obtained during pregnancy or at delivery of a child, provided the tissue is obtained by an accredited public or private institution of higher education for use in research approved by an institutional review board or another appropriate board, committee, or body charged with oversight applicable to the research; or

(4) cell lines derived from human fetal tissue or human tissue existing on September 1, 2017, that are used by an accredited public or private institution of higher education in research approved by an institutional review board or another appropriate board, committee, or body charged with oversight applicable to the research.

Sec. 173.003. ENFORCEMENT. (a) The department shall enforce this chapter.

(b) The attorney general, on request of the department or a local law enforcement agency, may assist in the investigation of a violation of this chapter.

Sec. 173.004. PROHIBITED DONATION. A person may not donate human fetal tissue except as authorized by this chapter.

Sec. 173.005. DONATION BY AUTHORIZED FACILITY. (a) Only an authorized facility may donate human fetal tissue. An authorized facility may donate human fetal tissue only to an accredited public or private institution of higher education for use in research approved by an institutional review board or another appropriate board, committee, or body charged with oversight applicable to the research.

(b) An authorized facility may not donate human fetal tissue obtained from an elective abortion.

Sec. 173.006. INFORMED CONSENT REQUIRED. An authorized facility may not donate human fetal tissue under this chapter unless the facility has obtained the written, voluntary, and informed consent of the woman from whose pregnancy the fetal tissue is obtained. The consent must be provided on a standard form prescribed by the department.

Sec. 173.007. CRIMINAL PENALTY. (a) A person commits an offense if the person:

(1) offers a woman monetary or other consideration to:

(A) have an abortion for the purpose of donating human fetal tissue; or

(B) consent to the donation of human fetal tissue; or

(2) knowingly or intentionally solicits or accepts tissue from a fetus gestated solely for research purposes.

(b) An offense under this section is a Class A misdemeanor punishable by a fine of not more than $10,000.

(c) With the consent of the appropriate local county or district attorney, the attorney general has concurrent jurisdiction with that consenting local prosecutor to prosecute an offense under this section.

Sec. 173.008. RECORD RETENTION. Unless another law requires a longer period of record retention, an authorized facility may not dispose of any medical record relating to a woman who consents to the donation of human fetal tissue before:

(1) the seventh anniversary of the date consent was obtained under Section 173.006; or

(2) if the woman was younger than 18 years of age on the date consent was obtained under Section 173.006, the later of:

(A) the woman's 23rd birthday; or

(B) the seventh anniversary of the date consent was obtained.

Sec. 173.009. ANNUAL REPORT. An authorized facility that donates human fetal tissue under this chapter shall submit an annual report to the department that includes for each donation:

(1) the specific type of fetal tissue donated; and

(2) the accredited public or private institution of higher education that received the donation.

SECTION 3. Subtitle B, Title 8, Health and Safety Code, is amended by adding Chapter 697 to read as follows:

CHAPTER 697. DISPOSITION OF EMBRYONIC AND FETAL TISSUE REMAINS

Sec. 697.001. PURPOSE. The purpose of this chapter is to express the state's profound respect for the life of the unborn by providing for a dignified disposition of embryonic and fetal tissue remains.

Sec. 697.002. DEFINITIONS. In this chapter:

(1) "Cremation" means the irreversible process of reducing remains to bone fragments through direct flame, extreme heat, and evaporation.

(2) "Department" means the Department of State Health Services.

(3) "Embryonic and fetal tissue remains" means an embryo, a fetus, body parts, or organs from a pregnancy that terminates in the death of the embryo or fetus and for which the issuance of a fetal death certificate is not required by state law. The term does not include the umbilical cord, placenta, gestational sac, blood, or body fluids.

(4) "Executive commissioner" means the executive commissioner of the Health and Human Services Commission.

(5) "Incineration" means the process of burning remains in an incinerator.

(6) "Interment" means the disposition of remains by entombment, burial, or placement in a niche.

(7) "Steam disinfection" means the act of subjecting remains to steam under pressure to disinfect the remains.

Sec. 697.003. APPLICABILITY OF OTHER LAW. Embryonic and fetal tissue remains are not pathological waste under state law. Unless otherwise provided by this chapter, Chapters 711 and 716 of this code and Chapter 651, Occupations Code, do not apply to the disposition of embryonic and fetal tissue remains.

Sec. 697.004. DISPOSITION OF EMBRYONIC AND FETAL TISSUE REMAINS. (a) Subject to Section 241.010, a health care facility in this state that provides health or medical care to a pregnant woman shall dispose of embryonic and fetal tissue remains that are passed or delivered at the facility by:

(1) interment;

(2) cremation;

(3) incineration followed by interment; or

(4) steam disinfection followed by interment.

(b) The ashes resulting from the cremation or incineration of embryonic and fetal tissue remains:

(1) may be interred or scattered in any manner as authorized by law for human remains; and

(2) may not be placed in a landfill.

(c) A health care facility responsible for disposing of embryonic and fetal tissue remains may coordinate with an entity in the registry established under Section 697.005 in an effort to offset the cost associated with burial or cremation of the embryonic and fetal tissue remains of an unborn child.

(d) Notwithstanding any other law, the umbilical cord, placenta, gestational sac, blood, or body fluids from a pregnancy terminating in the death of the embryo or fetus for which the issuance of a fetal death certificate is not required by state law may be disposed of in the same manner as and with the embryonic and fetal tissue remains from that same pregnancy as authorized by this chapter.

Sec. 697.005. BURIAL OR CREMATION ASSISTANCE REGISTRY. The department shall:

(1) establish and maintain a registry of:

(A) participating funeral homes and cemeteries willing to provide free common burial or low-cost private burial; and

(B) private nonprofit organizations that register with the department to provide financial assistance for the costs associated with burial or cremation of the embryonic and fetal tissue remains of an unborn child; and

(2) make the registry information available on request to a physician, health care facility, or agent of a physician or health care facility.

Sec. 697.006. ETHICAL FETAL REMAINS GRANT PROGRAM. The department shall develop a grant program that uses private donations to provide financial assistance for the costs associated with disposing of embryonic and fetal tissue remains.

Sec. 697.007. SUSPENSION OR REVOCATION OF LICENSE. The department may suspend or revoke the license of a health care facility that violates this chapter or a rule adopted under this chapter.

Sec. 697.008. CIVIL PENALTY. (a) A person that violates this chapter or a rule adopted under this chapter is liable for a civil penalty in an amount of $1,000 for each violation.

(b) The attorney general, at the request of the department, may sue to collect the civil penalty. The attorney general may recover reasonable expenses incurred in collecting the civil penalty, including court costs, reasonable attorney's fees, investigation costs, witness fees, and disposition expenses.

Sec. 697.009. RULES. The executive commissioner shall adopt rules to implement this chapter.

SECTION 4. Section 164.052(a), Occupations Code, is amended to read as follows:

(a) A physician or an applicant for a license to practice medicine commits a prohibited practice if that person:

(1) submits to the board a false or misleading statement, document, or certificate in an application for a license;

(2) presents to the board a license, certificate, or diploma that was illegally or fraudulently obtained;

(3) commits fraud or deception in taking or passing an examination;

(4) uses alcohol or drugs in an intemperate manner that, in the board's opinion, could endanger a patient's life;

(5) commits unprofessional or dishonorable conduct that is likely to deceive or defraud the public, as provided by Section 164.053, or injure the public;

(6) uses an advertising statement that is false, misleading, or deceptive;

(7) advertises professional superiority or the performance of professional service in a superior manner if that advertising is not readily subject to verification;

(8) purchases, sells, barters, or uses, or offers to purchase, sell, barter, or use, a medical degree, license, certificate, or diploma, or a transcript of a license, certificate, or diploma in or incident to an application to the board for a license to practice medicine;

(9) alters, with fraudulent intent, a medical license, certificate, or diploma, or a transcript of a medical license, certificate, or diploma;

(10) uses a medical license, certificate, or diploma, or a transcript of a medical license, certificate, or diploma that has been:

(A) fraudulently purchased or issued;

(B) counterfeited; or

(C) materially altered;

(11) impersonates or acts as proxy for another person in an examination required by this subtitle for a medical license;

(12) engages in conduct that subverts or attempts to subvert an examination process required by this subtitle for a medical license;

(13) impersonates a physician or permits another to use the person's license or certificate to practice medicine in this state;

(14) directly or indirectly employs a person whose license to practice medicine has been suspended, canceled, or revoked;

(15) associates in the practice of medicine with a person:

(A) whose license to practice medicine has been suspended, canceled, or revoked; or

(B) who has been convicted of the unlawful practice of medicine in this state or elsewhere;

(16) performs or procures a criminal abortion, aids or abets in the procuring of a criminal abortion, attempts to perform or procure a criminal abortion, or attempts to aid or abet the performance or procurement of a criminal abortion;

(17) directly or indirectly aids or abets the practice of medicine by a person, partnership, association, or corporation that is not licensed to practice medicine by the board;

(18) performs an abortion on a woman who is pregnant with a viable unborn child during the third trimester of the pregnancy unless:

(A) the abortion is necessary to prevent the death of the woman;

(B) the viable unborn child has a severe, irreversible brain impairment; or

(C) the woman is diagnosed with a significant likelihood of suffering imminent severe, irreversible brain damage or imminent severe, irreversible paralysis;

(19) performs an abortion on an unemancipated minor without the written consent of the child's parent, managing conservator, or legal guardian or without a court order, as provided by Section 33.003 or 33.004, Family Code, unless the abortion is necessary due to a medical emergency, as defined by Section 171.002, Health and Safety Code;

(20) otherwise performs an abortion on an unemancipated minor in violation of Chapter 33, Family Code; or

(21) performs or induces or attempts to perform or induce an abortion in violation of Subchapter C or F, Chapter 171, Health and Safety Code.

SECTION 5. Section 164.055(b), Occupations Code, is amended to read as follows:

(b) The sanctions provided by Subsection (a) are in addition to any other grounds for refusal to admit persons to examination under this subtitle or to issue a license or renew a license to practice medicine under this subtitle. The criminal penalties provided by Section 165.152 do not apply to a violation of Section 170.002, Health and Safety Code, or Subchapter C or F, Chapter 171, Health and Safety Code.

SECTION 6. Section 48.02(a), Penal Code, is amended to read as follows:

(a) In this section, "human [~~"Human~~] organ" means the human kidney, liver, heart, lung, pancreas, eye, bone, skin, [~~fetal tissue,~~] or any other human organ or tissue, but does not include hair or blood, blood components (including plasma), blood derivatives, or blood reagents. The term does not include human fetal tissue as defined by Section 48.03.

SECTION 7. Chapter 48, Penal Code, is amended by adding Section 48.03 to read as follows:

Sec. 48.03. PROHIBITION ON PURCHASE AND SALE OF HUMAN FETAL TISSUE. (a) In this section, "human fetal tissue" has the meaning assigned by Section 173.001, Health and Safety Code.

(b) A person commits an offense if the person knowingly offers to buy, offers to sell, acquires, receives, sells, or otherwise transfers any human fetal tissue for economic benefit.

(c) An offense under this section is a state jail felony.

(d) It is a defense to prosecution under this section that the actor:

(1) is an employee of or under contract with an accredited public or private institution of higher education; and

(2) acquires, receives, or transfers human fetal tissue solely for the purpose of fulfilling a donation authorized by Section 173.005, Health and Safety Code.

(e) This section does not apply to:

(1) human fetal tissue acquired, received, or transferred solely for diagnostic or pathological testing;

(2) human fetal tissue acquired, received, or transferred solely for the purposes of a criminal investigation;

(3) human fetal tissue acquired, received, or transferred solely for the purpose of disposing of the tissue in accordance with state law or rules applicable to the disposition of human fetal tissue remains;

(4) human fetal tissue or human tissue acquired during pregnancy or at delivery of a child, provided the tissue is acquired by an accredited public or private institution of higher education for use in research approved by an institutional review board or another appropriate board, committee, or body charged with oversight applicable to the research; or

(5) cell lines derived from human fetal tissue or human tissue existing on September 1, 2017, that are used by an accredited public or private institution of higher education in research approved by an institutional review board or another appropriate board, committee, or body charged with oversight applicable to the research.

(f) With the consent of the appropriate local county or district attorney, the attorney general has concurrent jurisdiction with that consenting local prosecutor to prosecute an offense under this section.

SECTION 8. (a) Not later than December 1, 2017, the executive commissioner of the Health and Human Services Commission shall adopt any rules necessary to implement Chapters 173 and 697, Health and Safety Code, as added by this Act.

(b) The Department of State Health Services shall:

(1) not later than October 1, 2017, establish the grant program required by Section 697.006, Health and Safety Code, as added by this Act;

(2) not later than December 1, 2017, prescribe the standard consent form required by Section 173.006, Health and Safety Code, as added by this Act; and

(3) not later than February 1, 2018, begin to award grants under the grant program described by Subdivision (1) of this subsection.

SECTION 9. (a) Subchapter F, Chapter 171, Health and Safety Code, as added by this Act, applies only to an abortion performed on or after the effective date of this Act. An abortion performed before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

(b) Sections 173.003, 173.004, 173.005, and 173.006, Health and Safety Code, as added by this Act, apply to a donation of human fetal tissue that occurs on or after the effective date of this Act, regardless of whether the human fetal tissue was acquired before, on, or after that date.

(c) An authorized facility is not required to make an initial annual report under Section 173.009, Health and Safety Code, as added by this Act, before January 1, 2019.

(d) Chapter 697, Health and Safety Code, as added by this Act, applies only to the disposition of embryonic and fetal tissue remains that occurs on or after February 1, 2018. The disposition of embryonic and fetal tissue remains that occurs before February 1, 2018, is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

(e) Chapter 48, Penal Code, as amended by this Act, applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this subsection, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 10. This Act takes effect September 1, 2017.

Floor Amendment No. 1

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

SECTION ____. It is the intent of the legislature that every provision, section, subsection, sentence, clause, phrase, or word in this Act, and every application of the provisions in this Act to each person or entity, are severable from each other. If any application of any provision in this Act to any person, group of persons, or circumstances is found by a court to be invalid for any reason, the remaining applications of that provision to all other persons and circumstances shall be severed and may not be affected.

Floor Amendment No. 2

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

(1) On page 1, line 8, strike "Subchapter F" and substitute "Subchapters F and G".

(2) On page 3, between lines 18 and 19, insert the following:

SUBCHAPTER G. DISMEMBERMENT ABORTIONS

Sec. 171.151. DEFINITION. In this subchapter, "dismemberment abortion" means an abortion in which a person, with the purpose of causing the death of an unborn child, dismembers the living unborn child and extracts the unborn child one piece at a time from the uterus through the use of clamps, grasping forceps, tongs, scissors, or a similar instrument that, through the convergence of two rigid levers, slices, crushes, or grasps, or performs any combination of those actions on, a piece of the unborn child's body to cut or rip the piece from the body. The term does not include an abortion that uses suction to dismember the body of an unborn child by sucking pieces of the unborn child into a collection container. The term includes a dismemberment abortion that is used to cause the death of an unborn child and in which suction is subsequently used to extract pieces of the unborn child after the unborn child's death.

Sec. 171.152. DISMEMBERMENT ABORTIONS PROHIBITED. (a) A person may not intentionally perform a dismemberment abortion unless the dismemberment abortion is necessary in a medical emergency.

(b) A woman on whom a dismemberment abortion is performed, an employee or agent acting under the direction of a physician who performs a dismemberment abortion, or a person who fills a prescription or provides equipment used in a dismemberment abortion does not violate Subsection (a).

Sec. 171.153. CRIMINAL PENALTY. (a) A person who violates Section 171.152 commits an offense.

(b) An offense under this section is a state jail felony.

Sec. 171.154. CONSTRUCTION OF SUBCHAPTER. (a) This subchapter shall be construed, as a matter of state law, to be enforceable to the maximum possible extent consistent with but not further than federal constitutional requirements, even if that construction is not readily apparent, as such constructions are authorized only to the extent necessary to save the subchapter from judicial invalidation. Judicial reformation of statutory language is explicitly authorized only to the extent necessary to save the statutory provision from invalidity.

(b) If any court determines that a provision of this subchapter is unconstitutionally vague, the court shall interpret the provision, as a matter of state law, to avoid the vagueness problem and shall enforce the provision to the maximum possible extent. If a federal court finds any provision of this subchapter or its application to any person, group of persons, or circumstances to be unconstitutionally vague and declines to impose the saving construction described by this subsection, the Supreme Court of Texas shall provide an authoritative construction of the objectionable statutory provisions that avoids the constitutional problems while enforcing the statute's restrictions to the maximum possible extent and shall agree to answer any question certified from a federal appellate court regarding the statute.

(c) A state executive or administrative official may not decline to enforce this subchapter, or adopt a construction of this subchapter in a way that narrows its applicability, based on the official's own beliefs concerning the requirements of the state or federal constitution, unless the official is enjoined by a state or federal court from enforcing this subchapter.

(d) This subchapter may not be construed to:

(1) authorize the prosecution of or a cause of action to be brought against a woman on whom an abortion is performed or induced in violation of this subchapter; or

(2) create or recognize a right to abortion or a right to a particular method of abortion.

(3) On page 13, on both lines 4 and 13, strike "or F" and substitute ", F, or G".

(4) On page 15, line 24, strike "Subchapter F" and substitute "Subchapters F and G".

(5) On page 15, line 25, strike "applies" and substitute "apply".

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

SECTION ____. (a) If some or all of the provisions of this Act are ever temporarily or permanently restrained or enjoined by judicial order, all other provisions of Texas law regulating or restricting abortion shall be enforced as though the restrained or enjoined provisions had not been adopted; provided, however, that whenever the temporary or permanent restraining order or injunction is stayed or dissolved, or otherwise ceases to have effect, the provisions shall have full force and effect.

(b) Mindful of Leavitt v. Jane L., 518 U.S. 137 (1996), in which in the context of determining the severability of a state statute regulating abortion the United States Supreme Court held that an explicit statement of legislative intent is controlling, it is the intent of the legislature that every provision, section, subsection, sentence, clause, phrase, or word in this Act, and every application of the provisions in this Act, are severable from each other. If any application of any provision in this Act to any person, group of persons, or circumstances is found by a court to be invalid, the remaining applications of that provision to all other persons and circumstances shall be severed and may not be affected. All constitutionally valid applications of this Act shall be severed from any applications that a court finds to be invalid, leaving the valid applications in force, because it is the legislature's intent and priority that the valid applications be allowed to stand alone. Even if a reviewing court finds a provision of this Act to impose an undue burden in a large or substantial fraction of relevant cases, the applications that do not present an undue burden shall be severed from the remaining provisions and shall remain in force, and shall be treated as if the legislature had enacted a statute limited to the persons, group of persons, or circumstances for which the statute's application does not present an undue burden. The legislature further declares that it would have passed this Act, and each provision, section, subsection, sentence, clause, phrase, or word, and all constitutional applications of this Act, irrespective of the fact that any provision, section, subsection, sentence, clause, phrase, or word, or applications of this Act, were to be declared unconstitutional or to represent an undue burden.

(c) If any provision of this Act is found by any court to be unconstitutionally vague, then the applications of that provision that do not present constitutional vagueness problems shall be severed and remain in force.

Floor Amendment No. 15

Amend **CSSB 8** (house committee report) on page 4, by striking lines 3-7 and substituting the following:

(2) "Human fetal tissue" means any gestational human organ, cell, or tissue from an unborn child. The term does not include:

(A) supporting cells or tissue derived from a pregnancy or associated maternal tissue that is not part of the unborn child; or

(B) the umbilical cord or placenta, provided that the umbilical cord or placenta is not derived from an elective abortion.

Floor Amendment No. 19

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

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

SECTION ____. Section 245.005(e), Health and Safety Code, is amended to read as follows:

(e) As a condition for renewal of a license, the licensee must submit to the department the annual license renewal fee and an annual report[~~, including the report required under Section 245.011~~].

SECTION ____. The heading to Section 245.011, Health and Safety Code, is amended to read as follows:

Sec. 245.011. PHYSICIAN REPORTING REQUIREMENTS; CRIMINAL PENALTY.

SECTION ____. Section 245.011, Health and Safety Code, is amended by amending Subsections (a), (b), (d), and (e) and adding Subsections (f) and (g) to read as follows:

(a) A physician who performs an abortion at an [~~Each~~] abortion facility must complete and submit a monthly [~~an annual~~] report to the department on each abortion [~~that is~~] performed by the physician at the abortion facility. The report must be submitted on a form provided by the department.

(b) The report may not identify by any means [~~the physician performing the abortion or~~] the patient.

(d) Except as provided by Section 245.023, all information and records held by the department under this chapter are confidential and are not open records for the purposes of Chapter 552, Government Code. That information may not be released or made public on subpoena or otherwise, except that release may be made:

(1) for statistical purposes, but only if a person, patient, physician performing an abortion, or abortion facility is not identified;

(2) with the consent of each person, patient, physician, and abortion facility identified in the information released;

(3) to medical personnel, appropriate state agencies, or county and district courts to enforce this chapter; or

(4) to appropriate state licensing boards to enforce state licensing laws.

(e) A person commits an offense if the person violates Subsection (b), (c), or (d) [~~this section~~]. An offense under this subsection is a Class A misdemeanor.

(f) Not later than the 15th day of each month, a physician shall submit to the department the report required by this section for each abortion performed by the physician at an abortion facility in the preceding calendar month.

(g) The department shall establish and maintain a secure electronic reporting system for the submission of the reports required by this section. The department shall adopt procedures to enforce this section and to ensure that only physicians who perform one or more abortions during the preceding calendar month are required to file the reports under this section for that month.

SECTION ____. Chapter 245, Health and Safety Code, is amended by adding Sections 245.0115 and 245.0116 to read as follows:

Sec. 245.0115. NOTIFICATION. Not later than the seventh day after the date the report required by Section 245.011 is due, the commissioner of state health services shall notify the Texas Medical Board of a violation of that section.

Sec. 245.0116. DEPARTMENT REPORT. (a) The department shall publish on its Internet website a monthly report containing aggregate data of the information in the reports submitted under Section 245.011.

(b) The department's monthly report may not identify by any means an abortion facility, a physician performing the abortion, or a patient.

(2) On page 15, line 12, between "implement" and "Chapters", insert "Section 245.011, Health and Safety Code, as amended by this Act, and".

(3) On page 15, between lines 14 and 15, insert the following appropriately numbered subdivision and renumber subsequent subdivisions and cross-references to those subdivisions accordingly:

( ) as soon as practicable after the effective date of this Act, develop the electronic reporting system required by Section 245.011, Health and Safety Code, as amended by this Act;

Floor Amendment No. 24

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

SECTION ____. Section 33.001(1), Family Code, is amended to read as follows:

(1) "Abortion" has the meaning assigned by Section 245.002, Health and Safety Code [~~means the use of any means to terminate the pregnancy of a female known by the attending physician to be pregnant, with the intention that the termination of the pregnancy by those means will with reasonable likelihood cause the death of the fetus~~]. This definition, as applied in this chapter, [~~applies only to an unemancipated minor known by the attending physician to be pregnant and~~] may not be construed to limit a minor's access to contraceptives.

SECTION ____. Section 161.006(b), Family Code, is amended to read as follows:

(b) In this code, "abortion" has the meaning assigned by Section 245.002, Health and Safety Code [~~means an intentional expulsion of a human fetus from the body of a woman induced by any means for the purpose of causing the death of the fetus~~].

SECTION ____. Section 170.001(1), Health and Safety Code, is amended to read as follows:

(1) "Abortion" has the meaning assigned by Section 245.002 [~~means an act involving the use of an instrument, medicine, drug, or other substance or device developed to terminate the pregnancy of a woman if the act is done with an intention other than to:~~

[~~(A) increase the probability of a live birth of the unborn child of the woman;~~

[~~(B) preserve the life or health of the child; or~~

[~~(C) remove a dead fetus~~].

SECTION ____. Section 171.002(1), Health and Safety Code, is amended to read as follows:

(1) "Abortion" has the meaning assigned by Section 245.002 [~~means the use of any means to terminate the pregnancy of a female known by the attending physician to be pregnant with the intention that the termination of the pregnancy by those means will, with reasonable likelihood, cause the death of the fetus~~].

SECTION ____. Section 171.061(1), Health and Safety Code, is amended to read as follows:

(1) "Abortion" has the meaning assigned by Section 245.002. This definition, as applied in this subchapter, may not be construed to apply to an act done with the intent to [~~means the act of using, administering, prescribing, or otherwise providing an instrument, a drug, a medicine, or any other substance, device, or means with the intent to terminate a clinically diagnosable pregnancy of a woman and with knowledge that the termination by those means will, with reasonable likelihood, cause the death of the woman's unborn child. An act is not an abortion if the act is done with the intent to:~~

[~~(A) save the life or preserve the health of an unborn child;~~

[~~(B) remove a dead, unborn child whose death was caused by spontaneous abortion;~~

[~~(C) remove an ectopic pregnancy; or~~

[~~(D)~~] treat a maternal disease or illness for which a prescribed drug, medicine, or other substance is indicated.

SECTION ____. Section 245.002, Health and Safety Code, is amended by amending Subdivisions (1) and (4-a) and adding Subdivision (4-b) to read as follows:

(1) "Abortion" means the act of using or prescribing an instrument, a drug, a medicine, or any other substance, device, or means with the intent to cause the death of an unborn child of a woman known to be pregnant [~~an act or procedure performed after pregnancy has been medically verified and with the intent to cause the termination of a pregnancy other than for the purpose of either the birth of a live fetus or removing a dead fetus~~]. The term does not include birth control devices or oral contraceptives. An act is not an abortion if the act is done with the intent to:

(A) save the life or preserve the health of an unborn child;

(B) remove a dead, unborn child whose death was caused by spontaneous abortion; or

(C) remove an ectopic pregnancy.

(4-a) "Ectopic pregnancy" means the implantation of a fertilized egg or embryo outside of the uterus.

(4-b) "Executive commissioner" means the executive commissioner of the Health and Human Services Commission.

The amendments were read.

Senator Schwertner moved to concur in the House amendments to **SB 8**.

The motion prevailed by the following vote: Yeas 22, Nays 9.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Campbell, Creighton, Estes, Hall, Hancock, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Nelson, Nichols, Perry, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin, Zaffirini.

Nays: Garcia, Hinojosa, Menéndez, Miles, Rodríguez, Uresti, Watson, West, Whitmire.

STATEMENT REGARDING SENATE BILL 8

Senator Watson submitted the following statement regarding **SB 8**:

Senate Bill 8 once again places the State in the position of deciding how a woman should exercise her constitutional right to an abortion. Instead of recognizing a woman's freedom to make personal choices about her body and family, this legislation forces the belief systems of some onto all Texas women. The word "liberty" is often evoked by many supporting this bill as the ultimate right that must be protected, but that right is all but forgotten when it comes to a woman's liberty about her body and family.

This bill does nothing to protect the health or safety of the woman - a point the author does not dispute - and instead hurts the safety of these women and families. The prohibitions in this bill on the donation of fetal tissue harms critical research, all in supposed response to discredited videos. As if this was not bad enough, the bill now treats placenta and an umbilical cord, which has always been recognized as the woman's tissue, as fetal tissue that cannot be donated, but of course, only when it is associated with an elective abortion. This bill is so focused on outlawing abortions that it would discard the lives that can be saved through the donation of this blood and tissue.

To compound this misplaced priority, SB 8 effectively outlaws the dilation and evacuation procedure, which is the safest and most widely used abortion procedure for second trimester abortions. And once again the author has admitted that this is not being done to improve the health and safety of the woman, but instead it is about protecting the dignity of an unviable fetus.

For years those pushing this type of legislation have hidden behind the pretext of protecting women's health in their attempt to regulate abortion out of existence. Now that this has been exposed by the Supreme Court, they seek new excuses and measures that do nothing but limit the constitutional rights of Texas women. It is incredibly troubling that anybody would be willing to subvert the rights of a woman and make her face greater harm, all because she is exercising a constitutionally guaranteed right in a manner that they do not agree with. It is time we stop pretending we know what is best for Texas woman and actually embrace the true meaning of "liberty" for all.

WATSON

SENATE BILL 73 WITH HOUSE AMENDMENTS

Senator Nelson called **SB 73** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 73** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to leave policy and procedures for state employees.

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

SECTION 1. Chapter 661, Government Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. STATE AGENCY LEAVE POLICY

Sec. 661.251. DEFINITION. In this subchapter, "state agency" has the meaning assigned by Section 661.001.

Sec. 661.252. AGENCY POLICY. (a) A state agency shall adopt a policy governing leave for employees under this chapter.

(b) The policy must provide clear and objective guidelines to establish under what circumstances an employee of the agency may be entitled to or granted each type of leave provided by this chapter.

(c) The state agency shall post the policy adopted under this section on the agency's Internet website in a location easily accessible by the agency's employees and the public.

SECTION 2. Section 661.902, Government Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The administrative head of an agency may determine that a reason other than a reason [~~that~~] described by Subsection (a) is sufficient for granting emergency leave. Subject to the provisions of this subsection, the administrative head [~~and~~] shall grant an emergency leave to an employee who the administrative head determines has shown good cause for taking emergency leave. The administrative head may not grant an emergency leave to an employee under this subsection unless the administrative head believes in good faith that the employee being granted the emergency leave intends to return to the employee's position with the agency on expiration of the period of emergency leave.

(c) Not later than October 1 of each year, the administrative head of an agency shall report to the comptroller the name and position of each employee of the agency who was granted more than 32 hours of emergency leave during the previous state fiscal year, the reason for which the employee was granted the emergency leave, and the total number of hours of emergency leave granted to the employee in that state fiscal year.

SECTION 3. Subchapter C, Chapter 2101, Government Code, is amended by adding Section 2101.042 to read as follows:

Sec. 2101.042. LEAVE REPORTING. (a) As part of the centralized accounting and payroll system or any successor system used to implement the enterprise resource planning component of the uniform statewide accounting project developed under Sections 2101.031, 2101.035, and 2101.036, the comptroller shall adopt a uniform system for use by each state agency to which Section 2101.036 applies under Subsection (d) of that section for the reporting of leave taken by the agency's employees. The system adopted by the comptroller must include standardized accounting codes for each type of leave authorized under Chapter 661.

(b) A state agency to which Subsection (a) applies shall use the uniform system adopted by the comptroller under this section.

SECTION 4. Section 661.902(b), Government Code, as amended by this Act, applies only to a grant of emergency leave made on or after the effective date of this Act. A grant of emergency leave made before the effective date of this Act is governed by the law in effect on the date the emergency leave was granted, and the former law is continued in effect for that purpose.

SECTION 5. The first report required under Section 661.902(c), Government Code, as added by this Act, is due October 1, 2017, and must cover the period from September 1, 2016, to August 31, 2017.

SECTION 6. This Act takes effect September 1, 2017.

Floor Amendment No. 1

Amend **CSSB 73** (house committee report) as follows:

(1) On page 1, line 24, between "subsection" and the underlined comma, insert "and except as provided by Subsection (c)".

(2) On page 2, line 1, strike "who" and substitute "if the employee requests the leave and [~~who~~]".

(3) On page 2, line 2, between "determines" and "has", insert "that the employee".

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

(c) An employee is not required to request an emergency leave if the administrative head of the employing agency grants the emergency leave under Subsection (b) because the agency is closed due to weather conditions or in observance of a holiday.

(5) On page 2, line 8, strike "(c)" and substitute "(d)".

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

SECTION ____. Subchapter Z, Chapter 661, Government Code, is amended by adding Section 661.923 to read as follows:

Sec. 661.923. LEAVE DURING AGENCY INVESTIGATION. (a) The administrative head of an agency may grant leave without a deduction in salary to a state employee who is:

(1) the subject of an investigation being conducted by the agency; or

(2) a victim of, or witness to, an act or event that is the subject of an investigation being conducted by the agency.

(b) A state employee who is the subject of an investigation being conducted by the employing agency is ineligible to receive leave for that reason under any other provision of this subchapter.

(c) Not later than the last day of each quarter of a state fiscal year, an agency shall submit a report to the state auditor's office and the Legislative Budget Board that includes the name of each agency employee described by Subsection (a)(1) who has been granted 168 hours or more of leave under this section during that fiscal quarter. The report must include, for each employee, a brief statement as to the reason the employee remains on leave.

(7) On page 3, line 3, strike "applies" and substitute "and Section 661.923, Government Code, as added by this Act, apply".

(8) On page 3, lines 3, 4, and 6, strike "emergency" each time it appears.

Floor Amendment No. 2

Amend **CSSB 73** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Subchapter Z, Chapter 661, Government Code, is amended by adding Section 661.923 to read as follows:

Sec. 661.923. MEDICAL AND MENTAL HEALTH CARE LEAVE FOR CERTAIN VETERANS. (a) This section applies to a state employee who is:

(1) a veteran, as defined by Section 434.023(a); and

(2) eligible for health benefits under a program administered by the Veterans Health Administration of the United States Department of Veterans Affairs.

(b) A state employee described by Subsection (a) may be granted leave without a deduction in salary or loss of vacation time, sick leave, earned overtime credit, or state compensatory time to obtain medical or mental health care administered by the Veterans Health Administration of the United States Department of Veterans Affairs, including physical rehabilitation.

(c) Except as provided by Subsection (d), leave granted under Subsection (b) may not exceed 15 days each fiscal year.

(d) The administrative head of a state agency may annually grant additional days of leave described by Subsection (b) as the administrative head determines appropriate for the employee.

The amendments were read.

Senator Nelson moved to concur in the House amendments to **SB 73**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 532 WITH HOUSE AMENDMENTS

Senator Nelson called **SB 532** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 532** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to information collected about and purchases of information technology by governmental entities.

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

SECTION 1. Section 552.139, Government Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b) Except as provided by Subsection (b-1), the [~~The~~] following information is confidential:

(1) a computer network vulnerability report;

(2) any other assessment of the extent to which data processing operations, a computer, a computer program, network, system, or system interface, or software of a governmental body or of a contractor of a governmental body is vulnerable to

unauthorized access or harm, including an assessment of the extent to which the governmental body's or contractor's electronically stored information containing sensitive or critical information is vulnerable to alteration, damage, erasure, or inappropriate use; [~~and~~]

(3) a photocopy or other copy of an identification badge issued to an official or employee of a governmental body; and

(4) information directly arising from a governmental body's routine efforts to prevent, detect, or investigate a computer security incident, including information contained in or derived from an information security log.

(b-1) Subsection (b) does not apply to information related to a breach of system security as defined by Section 521.053, Business & Commerce Code.

SECTION 2. Subchapter C, Chapter 2054, Government Code, is amended by adding Section 2054.068 to read as follows:

Sec. 2054.068. INFORMATION TECHNOLOGY INFRASTRUCTURE REPORT. (a) In this section, "information technology" includes information resources and information resources technologies.

(b) The department shall collect from each state agency information on the status and condition of the agency's information technology infrastructure, including information regarding:

(1) the agency's information security program;

(2) an inventory of the agency's servers, mainframes, cloud services, and other information technology equipment;

(3) identification of vendors that operate and manage the agency's information technology infrastructure; and

(4) any additional related information requested by the department.

(c) A state agency shall provide the information required by Subsection (b) to the department according to a schedule determined by the department.

(d) Not later than November 15 of each even-numbered year, the department shall submit to the governor, chair of the house appropriations committee, chair of the senate finance committee, speaker of the house of representatives, lieutenant governor, and staff of the Legislative Budget Board a consolidated report of the information submitted by state agencies under Subsection (b).

(e) The consolidated report required by Subsection (d) must:

(1) include an analysis and assessment of each state agency's security and operational risks; and

(2) for a state agency found to be at higher security and operational risks, include a detailed analysis of, and an estimate of the costs to implement, the:

(A) requirements for the agency to address the risks and related vulnerabilities; and

(B) agency's efforts to address the risks through the:

(i) modernization of information technology systems;

(ii) use of cloud services; and

(iii) use of a statewide technology center established by the department.

(f) With the exception of information that is confidential under Chapter 552, including Section 552.139, or other state or federal law, the consolidated report submitted under Subsection (d) is public information and must be released or made available to the public on request. A governmental body as defined by Section 552.003 may withhold information confidential under Chapter 552, including Section 552.139, or other state or federal law that is contained in a consolidated report released under this subsection without the necessity of requesting a decision from the attorney general under Subchapter G, Chapter 552.

(g) This section does not apply to an institution of higher education or university system, as defined by Section 61.003, Education Code.

SECTION 3. Section 2054.0965(a), Government Code, is amended to read as follows:

(a) Not later than March 31 [~~December 1~~] of each even-numbered [~~odd-numbered~~] year, a state agency shall complete a review of the operational aspects of the agency's information resources deployment following instructions developed by the department.

SECTION 4. Section 2157.007, Government Code, is amended by amending Subsection (b) and adding Subsection (e) to read as follows:

(b) A state agency shall [~~may~~] consider cloud computing service options, including any security benefits and cost savings associated with purchasing those service options from a cloud computing service provider and from a statewide technology center established by the department, when making purchases for a major information resources project under Section 2054.118.

(e) Not later than November 15 of each even-numbered year, the department, using existing resources, shall submit a report to the governor, lieutenant governor, and speaker of the house of representatives on the use of cloud computing service options by state agencies. The report must include use cases that provided cost savings and other benefits, including security enhancements. A state agency shall cooperate with the department in the creation of the report by providing timely and accurate information and any assistance required by the department.

SECTION 5. Section 552.139(b), Government Code, as amended by this Act, applies only to a request for public information received on or after the effective date of this Act. A request received before the effective date of this Act is governed by the law in effect when the request was received, and the former law is continued in effect for that purpose.

SECTION 6. This Act takes effect September 1, 2017.

Floor Amendment No. 1

Amend **CSSB 532** (house committee report) as follows:

(1) On page 1, line 8, strike "Except as provided by Subsection (b-1), the [~~The~~]" and substitute "The".

(2) On page 1, line 23, strike "or investigate" and substitute "investigate, or mitigate".

(3) On page 2, line 2, strike "Subsection (b) does not apply to information" and substitute "Subsection (b)(4) does not affect the notification requirements".

(4) On page 5, lines 2 and 3, strike "Section 552.139(b), Government Code, as amended by this Act, applies" and substitute "Sections 552.139(b)(4) and (b-1), Government Code, as added by this Act, apply".

The amendments were read.

Senator Nelson moved to concur in the House amendments to **SB 532**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 255 WITH HOUSE AMENDMENTS

Senator Zaffirini called **SB 255** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 255** (house committee printing) as follows:

(1) On page 10, line 6, between "to" and "an", insert the following:

:

(1)

(2) On page 10, line 7, between "Code" and the underscored period, insert the following:

; or

(2) a contract manager whose contract management duties relate primarily to contracts described by Section 2262.002(b)

(3) On page 10, between lines 22 and 23, add the following appropriately lettered subsection:

( ) This section does not apply to the Texas Transportation Commission.

Floor Amendment No. 2

Amend **SB 255** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Sections 2252.908(c) and (e), Government Code, are amended to read as follows:

(c) Notwithstanding Subsection (b), this section does not apply to:

(1) a sponsored research contract of an institution of higher education;

(2) an interagency contract of a state agency or an institution of higher education; [~~or~~]

(3) a contract related to health and human services if:

(A) the value of the contract cannot be determined at the time the contract is executed; and

(B) any qualified vendor is eligible for the contract;

(4) a contract with a publicly traded business entity, including a wholly owned subsidiary of the business entity;

(5) a contract with an electric utility, as that term is defined by Section 31.002, Utilities Code; or

(6) a contract with a gas utility, as that term is defined by Section 121.001, Utilities Code.

(e) The disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission that includes:

(1) a list of each interested party for the contract of which the contracting business entity is aware; and

(2) a written, unsworn declaration subscribed by [~~the signature of~~] the authorized agent of the contracting business entity as true[~~, acknowledging that the disclosure is made under oath and~~] under penalty of perjury that is in substantially the following form:

"My name is _____, my date of birth is _____, and my address is _____, _____, _____, _____,
(Street) (City) (State) (Zip Code)
_____. I declare under penalty of
(Country)
perjury that the foregoing is true and correct.

Executed in _____ County, State of _____, on the _____ day of _____, _____.
(Month) (Year)

_____
Declarant".

SECTION ____. Section 2252.908, Government Code, as amended by this Act, applies only to a contract entered into or amended on or after January 1, 2018.

Floor Amendment No. 1 on Third Reading

Amend **SB 255** by adding an appropriately numbered section to read as follows:

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

SECTION 1. Section 2267.003, Government Code, is amended to read as follows:

Sec. 2267.003. APPLICABILITY. This chapter does not apply to:

(1) the financing, design, construction, maintenance, or operation of a highway in the state highway system;

(2) a transportation authority operating [~~created~~] under Chapter 451, 452, 453, or 460, Transportation Code, other than a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, in which the principal municipality has a population of 1.9 million or more;

(3) any telecommunications, cable television, video service, or broadband infrastructure other than technology installed as part of a qualifying project that is essential to the project; or

(4) except as provided by Section 2165.259, a qualifying project located in the Capitol Complex, as defined by Section 443.0071.

The amendments were read.

Senator Zaffirini moved to concur in the House amendments to **SB 255**.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Birdwell, Buckingham, Campbell, Creighton, Estes, Garcia, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Burton, Hall, Taylor of Collin.

SENATE BILL 1571 WITH HOUSE AMENDMENT

Senator Huffman called **SB 1571** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1571** (house committee printing) as follows:

(1) On page 2, strike line 6.
(2) On page 2, line 7, strike "(ii)" and substitute "(i)".
(3) On page 2, line 9, strike "(iii)" and substitute "(ii)".

The amendment was read.

Senator Huffman moved to concur in the House amendment to **SB 1571**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1129 WITH HOUSE AMENDMENT

Senator Hinojosa called **SB 1129** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1129** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to franchises granted by navigation districts.

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

SECTION 1. Sections 61.164(b) and (d), Water Code, are amended to read as follows:

(b) No franchise shall be granted for longer than 50 [~~30~~] years nor shall a franchise be granted except on the affirmative vote of a majority of the commissioners at three separate meetings of the commission which meetings may not be closer together than one week. The third meeting at which the commission votes to grant a franchise may not take place before the date the notice required by Subsection (c) is published for the third time.

(d) The franchise shall require the grantee to file a [~~his or their~~] written acceptance within 30 days after the franchise is finally approved by the commission. Unless the district and the grantee agree on a later date, the effective date of the franchise is the date the grantee files the written acceptance with the commission.

SECTION 2. Section 63.178, Water Code, is amended by amending Subsections (b), (c), and (d) and adding Subsection (c-1) to read as follows:

(b) A franchise may be granted for a period of not more than 50 [~~30~~] years.

(c) Before the franchise is granted, the commission must approve the franchise by a majority vote at three separate meetings held at least one week apart and must publish notice. The third meeting at which the commission votes to grant a franchise may not take place before the date the notice required by this subsection is published for the third time.

(c-1) For the purposes of Subsection (c) [~~this subsection~~], notice must be published at the expense of the applicant, once a week for three consecutive weeks in a newspaper published in the district. The notice must consist of:

(1) the text of the franchise in full; or

(2) a descriptive caption stating the purpose of the franchise and the location at which a complete copy of the franchise may be obtained.

(d) The franchise shall require the grantee to file a [~~his~~] written acceptance within 30 days from the day the franchise is finally approved by the commission. Unless the district and the grantee agree on a later date, the effective date of the franchise is the date the grantee files the written acceptance with the commission.

SECTION 3. This Act takes effect September 1, 2017.

The amendment was read.

Senator Hinojosa moved to concur in the House amendment to **SB 1129**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER
Austin, Texas
Friday, May 26, 2017 - 2

The Honorable President of the Senate
Senate Chamber
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 9 (142 Yeas, 0 Nays, 2 Present, not voting)

HB 337 (118 Yeas, 22 Nays, 2 Present, not voting)

HB 377 (142 Yeas, 0 Nays, 2 Present, not voting)

HB 457 (141 Yeas, 3 Nays, 2 Present, not voting)

HB 553 (142 Yeas, 0 Nays, 2 Present, not voting)

HB 776 (144 Yeas, 1 Nays, 2 Present, not voting)

HB 846 (146 Yeas, 0 Nays, 2 Present, not voting)

HB 897 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 1204 (143 Yeas, 0 Nays, 2 Present, not voting)

HB 1234 (139 Yeas, 5 Nays, 2 Present, not voting)

HB 1317 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 1342 (130 Yeas, 10 Nays, 3 Present, not voting)

HB 1500 (143 Yeas, 0 Nays, 2 Present, not voting)

HB 1508 (134 Yeas, 7 Nays, 1 Present, not voting)

HB 1600 (128 Yeas, 14 Nays, 2 Present, not voting)

HB 1808 (142 Yeas, 0 Nays, 1 Present, not voting)

HB 1920 (146 Yeas, 0 Nays, 1 Present, not voting)

HB 1959 (137 Yeas, 7 Nays, 2 Present, not voting)

HB 1974 (135 Yeas, 11 Nays, 1 Present, not voting)

HB 2112 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 2358 (138 Yeas, 5 Nays, 2 Present, not voting)

HB 2771 (131 Yeas, 13 Nays, 2 Present, not voting)

HB 2817 (129 Yeas, 16 Nays, 2 Present, not voting)

HB 2891 (144 Yeas, 0 Nays, 3 Present, not voting)

HB 3029 (137 Yeas, 8 Nays, 2 Present, not voting)

HB 3131 (140 Yeas, 4 Nays, 2 Present, not voting)

HB 3173 (137 Yeas, 8 Nays, 2 Present, not voting)

HB 3349 (145 Yeas, 0 Nays, 2 Present, not voting)

HB 3453 (139 Yeas, 6 Nays, 2 Present, not voting)

HB 3574 (97 Yeas, 48 Nays, 2 Present, not voting)

HB 3735 (143 Yeas, 2 Nays, 2 Present, not voting)

HB 3810 (140 Yeas, 5 Nays, 1 Present, not voting)

HB 3849 (142 Yeas, 0 Nays, 2 Present, not voting)

HB 4035 (145 Yeas, 0 Nays, 2 Present, not voting)

HB 4187 (125 Yeas, 20 Nays, 1 Present, not voting)

HB 4268 (125 Yeas, 19 Nays, 1 Present, not voting)

HB 4290 (121 Yeas, 23 Nays, 3 Present, not voting)

THE HOUSE HAS REFUSED TO CONCUR IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

HB 515 (non-record vote)
House Conferees: VanDeaver - Chair/Deshotel/Hinojosa, Gina/Huberty/King, Ken

HB 1521 (non-record vote)
House Conferees: White - Chair/Hinojosa, Gina/Keough/Romero, Jr./Wilson

HB 1643 (non-record vote)
House Conferees: Springer - Chair/Canales/Kacal/Nevárez/Simmons

HB 2377 (non-record vote)
House Conferees: Larson - Chair/King, Tracy O./Lucio III/Price/Workman

HB 2639 (non-record vote)
House Conferees: Pickett - Chair/Dale/Gutierrez/King, Phil/Wilson

HB 3270 (non-record vote)
House Conferees: Bohac - Chair/Deshotel/Huberty/Meyer/Murphy

HB 3767 (non-record vote)
House Conferees: Allen - Chair/Giddings/Howard/Thierry/VanDeaver

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

SENATE BILL 1304 WITH HOUSE AMENDMENT

Senator Perry called **SB 1304** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer, Senator Hancock in Chair, laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1304** (house committee printing) as follows:
(1) Strike page 18, line 20, through page 19, line 17.
(2) On page 31, line 12, strike "18, 19, or 25," and substitute "18 or 19".

The amendment was read.

Senator Perry moved to concur in the House amendment to **SB 1304**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1538 WITH HOUSE AMENDMENT

Senator Watson called **SB 1538** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1538** (committee report) as follows:
(1) On page 1, line 14, strike "or".
(2) On page 1, line 16, strike the period following "programs" and substitute "; or".
(3) On page 1, after line 16, add a new Subsection (D) to read as follows:

(D) evaluating the response to and mitigation of flood incidents affecting residential property, including multi-family units, located in floodplains.

The amendment was read.

Senator Watson moved to concur in the House amendment to **SB 1538**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 195 WITH HOUSE AMENDMENT

Senator Garcia called **SB 195** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 3

Amend **SB 195** (house committee report) on page 2, line 14, after "county.", by inserting the following:

The commissioner shall adopt rules governing the transportation allotment as necessary to permit a district or county to receive funds under Subsection (d) that may be used to support innovative school safety projects, including community walking transportation programs as provided by this subsection and any other appropriate safety project, including rules defining an approved walking route mile that may be used as necessary in implementing this subsection.

The amendment was read.

Senator Garcia moved to concur in the House amendment to **SB 195**.

The motion prevailed by the following vote: Yeas 22, Nays 9.

Yeas: Buckingham, Campbell, Estes, Garcia, Hall, Hinojosa, Huffines, Huffman, Hughes, Lucio, Menéndez, Miles, Nichols, Perry, Rodríguez, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Birdwell, Burton, Creighton, Hancock, Kolkhorst, Nelson, Schwertner, Taylor of Collin.

SENATE BILL 1233 WITH HOUSE AMENDMENT

Senator Rodríguez called **SB 1233** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1233** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to a writ of mandamus by a court of appeals against certain judges.

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

SECTION 1. Section 22.221(b), Government Code, is amended to read as follows:

(b) Each court of appeals for a court of appeals district may issue all writs of mandamus, agreeable to the principles of law regulating those writs, against [~~a~~]:

(1) a judge of a district, statutory county, statutory probate county, or county court in the court of appeals district; [~~or~~]

(2) a judge of a district court who is acting as a magistrate at a court of inquiry under Chapter 52, Code of Criminal Procedure, in the court of appeals district; or

(3) an associate judge of a district or county court appointed by a judge under Chapter 201, Family Code, in the court of appeals district for the judge who appointed the associate judge.

SECTION 2. (a) Section 22.221(b)(1), Government Code, as amended by this Act, applies only to a proceeding seeking a writ of mandamus filed in a court of appeals under Section 22.221, Government Code, on or after the effective date of this Act. A proceeding seeking a writ of mandamus filed before the effective date of this Act is governed by the law in effect on the date the suit was filed, and the former law is continued in effect for that purpose.

(b) Section 22.221(b)(3), Government Code, as amended by this Act, applies only to a suit filed under Chapter 45, Title 1, Title 4, or Title 5, Family Code, on or after the effective date of this Act. A suit filed under Chapter 45, Title 1, Title 4, or Title 5, Family Code, before the effective date of this Act is governed by the law in effect on the date the suit was filed, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2017.

The amendment was read.

Senator Rodríguez moved to concur in the House amendment to **SB 1233**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1842 WITH HOUSE AMENDMENT

Senator Lucio called **SB 1842** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1842** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to an application for the amendment of a certificate of public convenience and necessity in an area within the boundaries of a political subdivision.

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

SECTION 1. Section 13.002, Water Code, is amended by adding Subdivision (13-a) to read as follows:

(13-a) "Municipal utility district" means a political subdivision of this state operating under Chapter 54.

SECTION 2. Section 13.244(a), Water Code, is amended to read as follows:

(a) Except as provided by Section 13.258, to [~~To~~] obtain a certificate of public convenience and necessity or an amendment to a certificate, a public utility or water supply or sewer service corporation shall submit to the utility commission an application for a certificate or for an amendment as provided by this section.

SECTION 3. Section 13.246, Water Code, is amended by adding Subsection (j) to read as follows:

(j) This section does not apply to an application under Section 13.258.

SECTION 4. Subchapter G, Chapter 13, Water Code, is amended by adding Section 13.258 to read as follows:

Sec. 13.258. UTILITY'S APPLICATION FOR AMENDMENT AND USE OF MUNICIPAL UTILITY DISTRICT'S CERTIFICATE UNDER CONTRACT. (a) Notwithstanding any other provision of this chapter, a Class A utility may apply to the commission for an amendment of a certificate of convenience and necessity held by a municipal utility district to allow the utility to have the same rights and powers under the certificate as the municipal utility district.

(b) This section does not apply to a certificate of convenience and necessity held by a municipal utility district located wholly or partly inside of the corporate limits or extraterritorial jurisdiction of a municipality with a population of two million or more.

(c) An application under this section must be accompanied by:

(1) information identifying the applicant;

(2) the identifying number of the certificate of convenience and necessity to be amended;

(3) the written consent of the municipal utility district that holds the certificate of convenience and necessity;

(4) a written statement by the municipal utility district that the application is supported by a contract between the municipal utility district and the utility for the utility to provide services inside the certificated area and inside the boundaries of the municipal utility district; and

(5) a description of the proposed service area by:

(A) a metes and bounds survey certified by a licensed state land surveyor or a registered professional land surveyor;

(B) the Texas State Plane Coordinate System;

(C) verifiable landmarks, including roads, creeks, or railroad lines; or

(D) if a recorded plat of the area exists, lot and block number.

(d) For an application under this section, the utility commission may not require any information other than the information required by this section.

(e) Not later than the 60th day after the date an applicant files an application for an amendment under this section, the utility commission shall review whether the application is complete. If the utility commission finds that the application is complete, the utility commission shall:

(1) find that the amendment of the certificate is necessary for the service, accommodation, convenience, or safety of the public; and

(2) grant the application and amend the certificate.

(f) The utility commission's decision under this section becomes final after reconsideration, if any, authorized by utility commission rule, and may not be appealed.

(g) The consent of a municipality is not required for the utility commission to amend a certificate as provided by Subsection (a) for an area that is in the municipality's extraterritorial jurisdiction.

(h) Sections 13.241(d) and 13.245 do not apply to an application under this section.

(i) Chapter 2001, Government Code, does not apply to an application for an amendment of a certificate of convenience and necessity under this section.

SECTION 5. Section 341.035(d), Health and Safety Code, is amended to read as follows:

(d) A person is not required to file a business plan under Subsection (a)(1) or (b) if the person:

(1) is a county;

(2) is a retail public utility as defined by Section 13.002, Water Code, unless that person is a utility as defined by that section;

(3) has executed an agreement with a political subdivision to transfer the ownership and operation of the water supply system to the political subdivision; [~~or~~]

(4) is a Class A utility, as defined by Section 13.002, Water Code, that has applied for or been granted an amendment of a certificate of convenience and necessity under Section 13.258, Water Code, for the area in which the construction of the public drinking water supply system will operate; or

(5) is a noncommunity nontransient water system and the person has demonstrated financial assurance under Chapter 361 or 382 of this code or Chapter 26, Water Code.

SECTION 6. The change in law made by this Act applies only to an application for an amendment of a certificate of public convenience and necessity filed on or after the effective date of this Act. An application filed before the effective date of this Act is governed by the law in effect on the date the application is filed, and the former law is continued in effect for that purpose.

SECTION 7. This Act takes effect September 1, 2017.

The amendment was read.

Senator Lucio moved to concur in the House amendment to **SB 1842**.

The motion prevailed by the following vote: Yeas 29, Nays 2.

Yeas: Birdwell, Buckingham, Campbell, Creighton, Estes, Garcia, Hall, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Burton.

SENATE BILL 674 WITH HOUSE AMENDMENT

Senator Schwertner called **SB 674** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 674** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Section 155.056, Occupations Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Except as provided by Subsection (a-1), an [~~An~~] applicant must pass each part of an examination within three attempts.

(a-1) The limit on the number of examination attempts under Subsection (a) does not apply to the Texas medical jurisprudence examination.

SECTION ____. Subchapter A, Chapter 156, Occupations Code, is amended by adding Section 156.010 to read as follows:

Sec. 156.010. REFUSAL FOR VIOLATION OF BOARD ORDER. The board may refuse to renew a registration permit issued under this chapter if the license holder is in violation of a board order.

SECTION ____. The heading to Section 205.251, Occupations Code, is amended to read as follows:

Sec. 205.251. [~~ANNUAL~~] RENEWAL REQUIRED.

SECTION ____. Section 205.251(a), Occupations Code, is amended to read as follows:

(a) The medical board by rule shall provide for the annual or biennial renewal of a license to practice acupuncture.

SECTION ____. Subchapter F, Chapter 205, Occupations Code, is amended by adding Section 205.256 to read as follows:

Sec. 205.256. REFUSAL FOR VIOLATION OF BOARD ORDER. The acupuncture board may refuse to renew a license issued under this chapter if the license holder is in violation of an acupuncture board order.

SECTION ____. Subchapter E, Chapter 206, Occupations Code, is amended by adding Section 206.215 to read as follows:

Sec. 206.215. REFUSAL FOR VIOLATION OF BOARD ORDER. The medical board may refuse to renew a license issued under this chapter if the license holder is in violation of a medical board order.

SECTION ____. Subchapter C, Chapter 601, Occupations Code, is amended by adding Section 601.113 to read as follows:

Sec. 601.113. REFUSAL FOR VIOLATION OF BOARD ORDER. The advisory board may refuse to renew a certificate issued under this chapter if the certificate holder is in violation of an advisory board order.

SECTION ____. Section 601.155, Occupations Code, is amended to read as follows:

Sec. 601.155. STUDENTS. A person is not required to hold a certificate issued under this chapter [~~or to comply with the registration requirements adopted under Section 601.252~~] if the person:

(1) is a student enrolled in a training program that meets the minimum standards adopted under Section 601.201; and

(2) is performing a radiologic procedure in an academic or clinical setting as part of the training program.

SECTION ____. Section 601.156, Occupations Code, is amended to read as follows:

Sec. 601.156. PROCEDURE PERFORMED AS PART OF CONTINUING EDUCATION PROGRAM. A person is not required to hold a certificate issued under this chapter [~~or to comply with the registration requirements adopted under Section 601.252~~] if the person is:

(1) licensed or otherwise registered as a medical radiologic technologist by another state, the American Registry of Radiologic Technologists, the American Registry of Clinical Radiography Technologists, or a professional organization or association recognized by the advisory board;

(2) enrolled in a continuing education program that meets the requirements adopted under Section 601.108; and

(3) performing a radiologic procedure as part of the continuing education program for not more than 10 days.

SECTION ____. Section 601.203(b), Occupations Code, is amended to read as follows:

(b) The following conditions are considered to be a hardship for the purposes of Subsection (a):

(1) that the applicant:

(A) reports an inability to attract and retain medical radiologic technologists; and

(B) is located in a county with a population of less than 50,000;

(2) that the applicant is located at a great distance from a school of medical radiologic technology;

(3) that there is a list of qualified persons who have applied to a school of medical radiologic technology whose admissions are pending because of a lack of faculty or space;

(4) that the school of medical radiologic technology produces an insufficient number of graduates in medical radiologic technology to meet the needs of the applicant; or

(5) any other criteria determined by advisory board rule.

SECTION ____. Sections 601.252(c) and (d), Occupations Code, are amended to read as follows:

(c) Rules adopted under this section by the State Board of Dental Examiners must:

(1) require an authorized person who performs radiologic procedures under the delegation of a dentist, other than a registered nurse, to register with the dental board [~~agency that licenses the practitioner under whom the person performs radiologic procedures~~];

(2) establish reasonable and necessary fees to cover the administrative costs incurred by the dental board [~~agency~~] in administering a registration program created under this subsection;

(3) establish grounds for the suspension, revocation, or nonrenewal of a registration issued under this subsection; and

(4) establish standards, in addition to those required by this chapter, for training and supervising the operators of the equipment.

(d) In adopting rules under Subsection (c), the State Board of Dental Examiners [~~an agency~~] may take into account whether the radiologic procedure will be performed by a registered nurse.

SECTION ____. Subchapter E, Chapter 602, Occupations Code, is amended by adding Section 602.214 to read as follows:

Sec. 602.214. REFUSAL FOR VIOLATION OF BOARD ORDER. The medical board may refuse to renew a license issued under this chapter if the license holder is in violation of a medical board order.

SECTION ____. Section 603.252(a), Occupations Code, is amended to read as follows:

(a) An applicant for a perfusionist license must submit an [~~a sworn~~] application accompanied by the application fee.

SECTION ____. Subchapter G, Chapter 603, Occupations Code, is amended by adding Section 603.306 to read as follows:

Sec. 603.306. REFUSAL FOR VIOLATION OF BOARD ORDER. The medical board may refuse to renew a license issued under this chapter if the license holder is in violation of a medical board order.

SECTION ____. Subchapter D, Chapter 604, Occupations Code, is amended by adding Section 604.158 to read as follows:

Sec. 604.158. REFUSAL FOR VIOLATION OF BOARD ORDER. The advisory board may refuse to renew a certificate or temporary permit issued under this chapter if the certificate or permit holder is in violation of an advisory board order.

The amendment was read.

Senator Schwertner moved to concur in the House amendment to **SB 674**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1649 WITH HOUSE AMENDMENT

Senator Watson called **SB 1649** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1649** (house committee report) as follows:

(1) On page 1, line 10, strike "Subsection (d-1)" and substitute "Subsections (d-1) and (d-2)".

(2) On page 2, between lines 21 and 22, insert the following:

(d-2) At the punishment stage of a trial in which the attorney representing the state seeks the increase in punishment provided by Subsection (d)(3)(B), the defendant may raise the issue as to whether, at the time of the instant offense or the previous offense, the defendant was engaging in speech or expressive conduct protected by the First Amendment to the United States Constitution or Section 8, Article I, Texas Constitution. If the defendant proves the issue in the affirmative by a preponderance of the evidence, the increase in punishment provided by Subsection (d)(3)(B) does not apply.

The amendment was read.

Senator Watson moved to concur in the House amendment to **SB 1649**.

The motion prevailed by the following vote: Yeas 25, Nays 6.

Yeas: Birdwell, Buckingham, Campbell, Estes, Garcia, Hancock, Hinojosa, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Burton, Creighton, Hall, Huffines, Taylor of Collin.

REMARKS ORDERED PRINTED

On motion of Senator Watson and by unanimous consent, his remarks regarding **SB 1649** were ordered reduced to writing and printed in the *Senate Journal* as follows:

> Members, this bill improves campus safety by enhancing the penalty for those who have been previously convicted of trespassing on a university property from a Class B misdemeanor to a Class A misdemeanor.
>
> The only change made by the House was to allow a defendant to raise the issue as to whether the defendant was engaging in conduct protected by the First Amendment to the United States Constitution or Section 8, Article I of the Texas Constitution at the time of the instant offense or the previous offense. This is to ensure that universities do not unfairly punish individuals who engage in the types of free speech that universities are supposed to foster. The amendment and bill do not seek to change campus rules on who has a right to be on campus. Criminal trespass laws and practices still apply as do institutions of higher education policies.

(Note: Prepared text)

SENATE BILL 315 WITH HOUSE AMENDMENT

Senator Hinojosa called **SB 315** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 on Third Reading

Amend **SB 315** on third reading by adding the following appropriately numbered SECTIONS and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Subtitle B, Title 3, Occupations Code, is amended by adding Chapter 170 to read as follows:

CHAPTER 170. PRESCRIPTION OF OPIOID ANTAGONISTS

Sec. 170.001. DEFINITIONS. In this chapter, "opioid antagonist" and "opioid-related drug overdose" have the meanings assigned by Section 483.101, Health and Safety Code.

Sec. 170.002. GUIDELINES. (a) The board shall adopt guidelines for the prescription of opioid antagonists.

(b) The guidelines must address:

(1) prescribing an opioid antagonist to a patient to whom an opioid medication is also prescribed; and

(2) identifying patients at risk of an opioid-related drug overdose and prescribing an opioid antagonist to that patient or to a person in a position to administer the opioid antagonist to that patient.

(c) In adopting guidelines under this section, the board:

(1) shall consult materials published by the Substance Abuse and Mental Health Services Administration of the United States Department of Health and Human Services; and

(2) may consult other appropriate materials, including medical journals subject to peer review and publications by medical professional associations.

Sec. 170.003. LIABILITY FOR ACT OR OMISSION WITH RESPECT TO PRESCRIBING AN OPIOID ANTAGONIST. A physician who acts in good faith and with reasonable care, regardless of whether the physician follows the guidelines adopted under this chapter, is not subject to criminal or civil liability or any professional disciplinary action for:

(1) prescribing or failing to prescribe an opioid antagonist; or

(2) any outcome resulting from the eventual administration of an opioid antagonist prescribed by the physician.

SECTION ____. The change in law made by this Act relating to Chapter 170, Occupations Code, as added by this Act, and to conduct that is grounds for imposition of a disciplinary sanction applies only to conduct that occurs on or after September 1, 2017. Conduct that occurs before September 1, 2017, is governed by the law in effect on the date the conduct occurred, and the former law is continued in effect for that purpose.

SECTION ____. The change in law made by this Act relating to Chapter 170, Occupations Code, as added by this Act, and to conduct that is the basis for civil liability applies only to conduct that occurs on or after September 1, 2017. Conduct that occurs before September 1, 2017, is governed by the law in effect on the date the conduct occurred, and the former law is continued in effect for that purpose.

SECTION ____. The change in law made by this Act relating to Chapter 170, Occupations Code, as added by this Act, and to conduct that constitutes a criminal offense applies only to an offense committed on or after September 1, 2017. For purposes of this section, an offense is committed before September 1, 2017, if any element of the offense occurs before that date. An offense committed before September 1, 2017, is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose.

The amendment was read.

Senator Hinojosa moved to concur in the House amendment to **SB 315**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1383 WITH HOUSE AMENDMENT

Senator Perry called **SB 1383** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1383** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the operation of vehicles transporting fluid milk; authorizing a fee.

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

SECTION 1. Section 621.508, Transportation Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) Except as provided by Subsection (a-1), it [~~It~~] is an affirmative defense to prosecution of, or an action under Subchapter F for, the offense of operating a vehicle with a single axle weight or tandem axle weight heavier than the axle weight authorized by law that at the time of the offense the vehicle:

(1) had a single axle weight or tandem axle weight that was not heavier than the axle weight authorized by law plus 12 percent;

(2) was loaded with timber, pulp wood, wood chips, or cotton, livestock, or other agricultural products that are:

(A) in their natural state; and

(B) being transported from the place of production to the place of first marketing or first processing; and

(3) was not being operated on a portion of the national system of interstate and defense highways.

(a-1) The affirmative defense provided by Subsection (a) does not apply to the excess weights authorized under Section 623.401(b).

SECTION 2. Chapter 623, Transportation Code, is amended by adding Subchapter U to read as follows:

SUBCHAPTER U. VEHICLES TRANSPORTING FLUID MILK

Sec. 623.401. PERMIT FOR VEHICLES TRANSPORTING FLUID MILK. (a) The department may issue a permit authorizing the movement of fluid milk by a truck-tractor and semitrailer combination that has six total axles and is equipped with a roll stability support safety system and truck blind spot systems:

(1) at a gross weight that is not heavier than 90,000 pounds; and

(2) with axle weights that comply with the requirements of Section 621.101(a), except as authorized by Subsection (b).

(b) A vehicle combination operating under a permit issued under Subsection (a) may exceed the axle weights listed in Section 621.101(a) for the following axle groups if the overall distance between the first axle of the truck-tractor and the first axle of the first consecutive set of tandem axles is 15 feet or more, the overall distance between the first and last axles of two consecutive sets of tandem axles is 36 feet or more, the distance between each individual axle in each axle group, measured from the center of the axle, is between 48 inches and 54 inches, and:

(1) a two-axle group does not exceed 36,500 pounds; and

(2) a three-axle group does not exceed 42,500 pounds.

(c) To qualify for a permit under this subchapter, a permit fee of $1,200 must be paid.

(d) A permit issued under this subchapter:

(1) is valid for one year; and

(2) must be carried in the truck-tractor for which it is issued.

Sec. 623.402. PERMIT STICKER. (a) When the department issues a permit under this subchapter, the department shall issue a sticker to be placed on the front windshield of the truck-tractor. The department shall design the form of the sticker to aid in the enforcement of weight limits for vehicles.

(b) The sticker must:

(1) indicate the expiration date of the permit; and

(2) be removed from the truck-tractor when:

(A) the permit for operation of the vehicle combination expires;

(B) a lease of the truck-tractor expires; or

(C) the truck-tractor is sold.

Sec. 623.403. COUNTY DESIGNATION; DISTRIBUTION OF FEE. (a) An applicant for a permit under this subchapter must designate in the permit application the counties in which the applicant intends to operate. A permit issued under this subchapter is not valid in a county that is not designated in the permit application.

(b) Of the fee collected under this subchapter for a permit:

(1) 75 percent of the amount collected shall be deposited to the credit of the state highway fund;

(2) 15 percent of the amount collected shall be divided equally among and distributed to the counties designated in the permit application; and

(3) 10 percent of the amount collected shall be deposited to the credit of the Texas Department of Motor Vehicles fund.

(c) At least once each fiscal year, the comptroller shall send the amount due each county under Subsection (b) to the county treasurer or officer performing the function of that office for deposit to the credit of the county road and bridge fund.

Sec. 623.404. PERMIT CONDITIONS. (a) Except as provided by Subsections (b) and (c), a vehicle combination operating under a permit under this subchapter may operate on a federal interstate highway or a state, county, or municipal road, including a frontage road adjacent to a federal interstate highway, if the truck-tractor displays a sticker required by Section 623.402 and the vehicle combination does not exceed the maximum axle or gross weight applicable to the combination under the terms of the permit.

(b) A permit issued under this subchapter authorizes the operation of a truck-tractor and semitrailer combination only on highways and roads approved by the Texas Department of Transportation.

(c) A permit issued under this subchapter does not authorize the operation of a truck-tractor and semitrailer combination on a county road or bridge for which a maximum weight and load limit has been established and posted under Section 621.301.

Sec. 623.405. CERTAIN COUNTY OR MUNICIPAL ACTIONS PROHIBITED. Unless otherwise provided by state or federal law, a county or municipality may not require a permit, fee, or license for the operation of a vehicle combination described by Section 623.401(a) or (b) in addition to a permit, fee, or license required by state law.

Sec. 623.406. EXCLUSIVE PERMIT. A permit issued under this subchapter is the only permit issued by the department under this chapter that may be used to transport fluid milk.

Sec. 623.407. RULES. (a) The department shall adopt rules necessary to implement this subchapter, including rules governing the application for a permit under this subchapter.

(b) The Department of Public Safety shall adopt rules requiring additional safety and driver training for permits issued under this subchapter.

SECTION 3. Section 623.003(b), Transportation Code, is amended to read as follows:

(b) The Texas Department of Transportation shall provide the department with all routing information necessary to complete a permit issued under Section 623.071, 623.121, 623.142, [~~or~~] 623.192, or 623.401.

SECTION 4. This Act takes effect January 1, 2018.

The amendment was read.

Senator Perry moved to concur in the House amendment to **SB 1383**.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Campbell, Creighton, Estes, Garcia, Hall, Hancock, Hinojosa, Huffman, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin, Watson, West, Whitmire, Zaffirini.

Nays: Huffines, Hughes, Uresti.

SENATE BILL 1893 WITH HOUSE AMENDMENT

Senator Birdwell called **SB 1893** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1 on Third Reading

Amend **SB 1893** on third reading as follows:

(1) In SECTION 2 of the bill, in amended Section 74.042(b), Government Code, strike "[~~Fannin, Franklin,~~]" and substitute "Fannin, [~~Franklin,~~]".

(2) In SECTION 2 of the bill, in added Section 74.042(k), Government Code, strike "Fannin,".

The amendment was read.

Senator Birdwell moved to concur in the House amendment to **SB 1893**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Creighton.

SENATE BILL 1066 WITH HOUSE AMENDMENT

Senator Schwertner called **SB 1066** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1066** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to meeting the graduate medical education needs of new medical degree programs offered by public institutions of higher education and to the employment status of certain residents participating in certain graduate medical education programs.

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

SECTION 1. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.05122 to read as follows:

Sec. 61.05122. GRADUATE MEDICAL EDUCATION REQUIREMENT FOR NEW MEDICAL DEGREE PROGRAMS. (a) In this section, "graduate medical education program" has the meaning assigned by Section 58A.001.

(b) As soon as practicable after an institution of higher education completes preliminary planning for a new doctor of medicine (M.D.) or doctor of osteopathic medicine (D.O.) degree program, the institution promptly shall provide to the board a specific plan regarding the addition of first-year residency positions for the graduate medical education program to be offered in connection with the new degree program. The plan must propose an increase in the number of those first-year residency positions that, when combined with the total number of existing first-year residency positions in this state, will be sufficient to reasonably accommodate the number of anticipated graduates from all doctor of medicine (M.D.) or doctor of osteopathic medicine (D.O.) degree programs that are offered in this state, including the degree program proposed by the institution, and to provide adequate opportunity for those graduates to remain in this state for the clinical portion of their education.

(c) Submission of a plan described by this section is a prerequisite for the board's approval of the proposed degree program.

(d) An institution's projected increase in first-year residency positions is presumed to be sufficient in its plan if the increase will achieve the purposes of this section with respect to all graduates from degree programs described by this section that are offered or will be offered by the institution.

(e) The institution may consult with the board as necessary to develop the plan required by this section.

SECTION 2. Section 312.003, Health and Safety Code, is amended to read as follows:

Sec. 312.003. AGREEMENT REQUIRED. This chapter applies only if the [~~a~~] medical and dental unit or [~~and a~~] supported medical or dental school agrees [~~agree~~], either directly or through a coordinating entity, to provide or cause to be provided medical, dental, or other patient care or services or to perform or cause to be performed medical, dental, or clinical education, training, or research activities in a coordinated or cooperative manner in a public or nonprofit hospital.

SECTION 3. Section 312.007, Health and Safety Code, is amended by adding Subsection (c) to read as follows:

(c) A resident engaged in graduate medical education in a public or nonprofit hospital in association with a medical and dental unit is an employee of a state agency regardless of whether the resident receives a stipend or other payment from the medical and dental unit for services performed as a resident.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendment was read.

Senator Schwertner moved to concur in the House amendment to **SB 1066**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 262 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 262** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 262** (house committee report) on page 1, line 23, between "system" and "shall", by inserting "under a contract listed on a schedule developed under this subchapter".

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to **SB 262**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 2242 WITH HOUSE AMENDMENT

Senator Hinojosa called **SB 2242** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 2242** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the resolution of disputes or errors involving the ad valorem taxation of the same property by multiple taxing units of the same type as a result of disputed, overlapping, or erroneously applied boundaries.

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

SECTION 1. Chapter 72, Local Government Code, is amended by adding Section 72.010 to read as follows:

Sec. 72.010. SUIT TO ESTABLISH BOUNDARIES OF AND TAXES OWED TO CERTAIN COUNTIES OR TAXING UNITS LOCATED IN THOSE COUNTIES. (a) In this section:

(1) "Like taxing units" means counties or other taxing units that are of the same type as one another and that by law may not include the same geographic territory.

(2) "Taxing unit" has the meaning assigned by Section 1.04, Tax Code.

(b) This section applies only to:

(1) a county that has a population of less than 400,000 and contains a municipality with a population of at least 300,000;

(2) a county that has a population of at least 50,000 and is adjacent to a county described by Subdivision (1); and

(3) a taxing unit other than a county that has territory in a county described by Subdivision (1) or (2).

(c) If, as a result of disputed, overlapping, or erroneously applied geographic boundaries between like taxing units, multiple like taxing units have imposed ad valorem taxes on the same property, the property owner may file suit in the supreme court to:

(1) establish the correct geographic boundary between the taxing units; and

(2) determine the amount of taxes owed on the property and the taxing unit or units to which the taxes are owed.

(d) The supreme court has original jurisdiction to hear and determine a suit filed under Subsection (c) and may issue injunctive or declaratory relief in connection with the suit.

(e) The supreme court shall enter a final order determining a suit filed under Subsection (c) not later than the 90th day after the date the suit is filed.

SECTION 2. Section 25.25, Tax Code, is amended by adding Subsection (p) to read as follows:

(p) Not later than the 45th day after the date a dispute or error described by Section 72.010(c), Local Government Code, is resolved by an agreement between the taxing units under Section 31.112(c) of this code or by a final order of the supreme court entered under Section 72.010, Local Government Code, the chief appraiser of each applicable appraisal district shall correct the appraisal roll and other appropriate records as necessary to reflect the agreement or order.

SECTION 3. Chapter 31, Tax Code, is amended by adding Section 31.112 to read as follows:

Sec. 31.112. REFUNDS OF PAYMENTS MADE TO MULTIPLE LIKE TAXING UNITS. (a) In this section, "like taxing units" has the meaning assigned by Section 72.010(a), Local Government Code.

(b) This section applies only to taxing units described by Section 72.010(b), Local Government Code.

(c) Like taxing units to which a property owner has made tax payments under protest as a result of a dispute or error described by Section 72.010(c), Local Government Code, may enter into an agreement to resolve the dispute or error. An agreement under this subsection:

(1) must establish the correct geographic boundary between the taxing units;

(2) may include an allocation between the taxing units of all or part of the taxes that were paid under protest before the dispute or error was resolved, less any amount that is required to be refunded to the property owner;

(3) must require the taxing units to refund to the property owner any amount by which the amount paid by the owner to the taxing units exceeds the amount due; and

(4) must be in writing.

(d) If a dispute or error described by Section 72.010(c), Local Government Code, is resolved by the agreement of the taxing units, a refund required by Subsection (c)(3) of this section must be made not later than the 90th day after the date on which the agreement is made.

(e) If a dispute or error described by Section 72.010(c), Local Government Code, is not resolved by the agreement of the taxing units and the supreme court enters a final order in a suit under Section 72.010, Local Government Code, determining the amount of taxes owed on the property and the taxing unit or units to which the taxes are owed, a refund required as a result of the order must be made not later than the 180th day after the date the order is entered.

(f) A refund under this section shall be accompanied by:

(1) a description sufficient to identify the property on which the taxes were imposed; and

(2) the tax account number, if applicable.

(g) A collector making a refund under this section shall notify the auditor of each appropriate taxing unit not later than the 30th day after the date the refund is made.

SECTION 4. Sections 31.12(a) and (b), Tax Code, are amended to read as follows:

(a) If a refund of a tax provided by Section 11.431(b), 26.07(g), 26.15(f), 31.11, [~~or~~] 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 26.07(g), on the date the 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; [~~or~~]

(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 5. Subchapter E, Chapter 42, Education Code, is amended by adding Section 42.2532 to read as follows:

Sec. 42.2532. ADJUSTMENT FOR RESOLUTION OF DISPUTE OR ERROR RESULTING IN TAXATION OF SAME PROPERTY BY MULTIPLE SCHOOL DISTRICTS. The commissioner shall adjust the amounts due to a school district under this chapter and Chapter 46 as necessary to account for the resolution of a dispute or error involving the district and another district by an agreement between the districts entered into under Section 31.112(c), Tax Code, or by a final order of the supreme court entered under Section 72.010, Local Government Code.

SECTION 6. The changes in law made by this Act apply to ad valorem taxes imposed for a tax year beginning before, on, or after the effective date of this Act.

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendment was read.

Senator Hinojosa moved to concur in the House amendment to **SB 2242**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1813 WITH HOUSE AMENDMENT

Senator Buckingham called **SB 1813** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1813** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the adoption of common admission application forms for institutions of higher education.

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

SECTION 1. Section 51.761, Education Code, is amended to read as follows:

Sec. 51.761. DEFINITIONS. In this subchapter, "board," "general academic teaching institution," "governing board," "institution of higher education," "public state college," "public technical institute," "private or independent institution of higher education," and "university system" have the meanings assigned by Section 61.003.

SECTION 2. Section 51.762(a), Education Code, is amended to read as follows:

(a) The board, with the assistance of high school counselors and an advisory committee composed of representatives of general academic teaching institutions, junior college districts, public state colleges, [~~and~~] public technical institutes, and private or independent institutions of higher education, and with the consultation of all institutions of higher education that admit freshman-level students:

(1) shall adopt by rule:

(A) a common admission application form for use by a person seeking admission as a freshman student to a general academic teaching institution;

(B) an electronic common admission application form for use by a person seeking admission as a freshman student to an institution of higher education that admits freshman-level students, other than a general academic teaching institution; and

(C) if the board determines that adoption of the form would be cost-effective for nursing schools, an electronic common admission application form for use by a person seeking admission as a student to an undergraduate nursing education program at an institution of higher education; and

(2) may adopt by rule a printed format common admission application form for use by a person seeking admission as a freshman student to an institution of higher education that admits freshman-level students, other than a general academic teaching institution.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendment was read.

Senator Buckingham moved to concur in the House amendment to **SB 1813**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1503 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 1503** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1503** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to abolishing shampoo apprentice permits and shampoo specialty certificates.

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

SECTION 1. Section 1601.002, Occupations Code, is amended to read as follows:

Sec. 1601.002. DEFINITION OF BARBERING. In this chapter, "barbering," "practicing barbering," or the "practice of barbering" means:

(1) performing or offering or attempting to perform for compensation or the promise of compensation any of the following services:

(A) treating a person's mustache or beard by arranging, beautifying, coloring, processing, shaving, styling, or trimming;

(B) treating a person's hair by:

(i) arranging, beautifying, bleaching, cleansing, coloring, curling, dressing, dyeing, processing, [~~shampooing,~~] shaping, singeing, straightening, styling, tinting, or waving;

(ii) providing a necessary service that is preparatory or ancillary to a service under Subparagraph (i), including bobbing, clipping, cutting, or trimming; or

(iii) cutting the person's hair as a separate and independent service for which a charge is directly or indirectly made separately from a charge for any other service;

(C) cleansing, stimulating, or massaging a person's scalp, face, neck, arms, or shoulders:

(i) by hand or by using a device, apparatus, or appliance; and

(ii) with or without the use of any cosmetic preparation, antiseptic, tonic, lotion, or cream;

(D) beautifying a person's face, neck, arms, or shoulders using a cosmetic preparation, antiseptic, tonic, lotion, powder, oil, clay, cream, or appliance;

(E) treating a person's nails by:

(i) cutting, trimming, polishing, tinting, coloring, cleansing, manicuring, or pedicuring; or

(ii) attaching false nails;

(F) massaging, cleansing, treating, or beautifying a person's hands;

(G) administering facial treatments;

(H) weaving a person's hair by using any method to attach commercial hair to a person's hair or scalp; or

(I) [~~shampooing or conditioning a person's hair; or~~

[~~(J)~~] servicing in any manner listed in Paragraph (B) a person's wig, toupee, or artificial hairpiece on a person's head or on a block after the initial retail sale;

(2) advertising or representing to the public in any manner that a person is a barber or is authorized to practice barbering; or

(3) advertising or representing to the public in any manner that a location or place of business is a barbershop, specialty shop, or barber school.

SECTION 2. Section 1601.256(a), Occupations Code, is amended to read as follows:

(a) A person holding a barber technician license may:

(1) perform only barbering as defined by Sections 1601.002(1)(C), (D), (F), and (G)[~~, and (I)~~]; and

(2) practice only at a location that has been issued a barbershop permit.

SECTION 3. Section 1602.002(a), Occupations Code, is amended to read as follows:

(a) In this chapter, "cosmetology" means the practice of performing or offering to perform for compensation any of the following services:

(1) treating a person's hair by:

(A) providing any method of treatment as a primary service, including arranging, beautifying, bleaching, cleansing, coloring, cutting, dressing, dyeing, processing, [~~shampooing,~~] shaping, singeing, straightening, styling, tinting, or waving;

(B) providing a necessary service that is preparatory or ancillary to a service under Paragraph (A), including bobbing, clipping, cutting, or trimming a person's hair or shaving a person's neck with a safety razor; or

(C) cutting the person's hair as a separate and independent service for which a charge is directly or indirectly made separately from charges for any other service;

(2) [~~shampooing and conditioning a person's hair;~~

[~~(3)~~] servicing a person's wig or artificial hairpiece on a person's head or on a block after the initial retail sale and servicing in any manner listed in Subdivision (1);

(3) [~~(4)~~] treating a person's mustache or beard by arranging, beautifying, coloring, processing, styling, trimming, or shaving with a safety razor;

(4) [~~(5)~~] cleansing, stimulating, or massaging a person's scalp, face, neck, or arms:

(A) by hand or by using a device, apparatus, or appliance; and

(B) with or without the use of any cosmetic preparation, antiseptic, tonic, lotion, or cream;

(5) [~~(6)~~] beautifying a person's face, neck, or arms using a cosmetic preparation, antiseptic, tonic, lotion, powder, oil, clay, cream, or appliance;

(6) [~~(7)~~] administering facial treatments;

(7) [~~(8)~~] removing superfluous hair from a person's body using depilatories, preparations, or tweezing techniques;

(8) [~~(9)~~] treating a person's nails by:

(A) cutting, trimming, polishing, tinting, coloring, cleansing, or manicuring; or

(B) attaching false nails;

(9) [~~(10)~~] massaging, cleansing, treating, or beautifying a person's hands or feet;

(10) [~~(11)~~] applying semipermanent, thread-like extensions composed of single fibers to a person's eyelashes; or

(11) [~~(12)~~] weaving a person's hair.

SECTION 4. Section 1602.255(c), Occupations Code, is amended to read as follows:

(c) The commission shall adopt rules for the licensing of specialty instructors to teach specialty courses in the practice of cosmetology defined in Sections 1602.002(a)(5), (7), (8), and (10) [~~1602.002(a)(6), (8), (9), and (11)~~].

SECTION 5. Section 1602.256(a), Occupations Code, is amended to read as follows:

(a) A person holding a manicurist specialty license may perform only the practice of cosmetology defined in Section 1602.002(a)(8) or (9) [~~1602.002(a)(9) or (10)~~].

SECTION 6. Section 1602.257(a), Occupations Code, is amended to read as follows:

(a) A person holding an esthetician specialty license may perform only the practice of cosmetology defined in Sections 1602.002(a)(4), (5), (6), (7), and (10) [~~1602.002(a)(5), (6), (7), (8), and (11)~~].

SECTION 7. Section 1602.2571(a), Occupations Code, is amended to read as follows:

(a) A person holding a specialty license in eyelash extension application may perform only the practice of cosmetology defined in Section 1602.002(a)(10) [~~1602.002(a)(11)~~].

SECTION 8. Section 1602.259(a), Occupations Code, is amended to read as follows:

(a) A person holding a hair weaving specialty certificate may perform only the practice of cosmetology defined in Section 1602.002(a)(11) [~~Sections 1602.002(a)(2) and (12)~~].

SECTION 9. Section 1602.260(a), Occupations Code, is amended to read as follows:

(a) A person holding a wig specialty certificate may perform only the practice of cosmetology defined in Section 1602.002(a)(2) [~~1602.002(a)(3)~~].

SECTION 10. Section 1602.261(a), Occupations Code, is amended to read as follows:

(a) A person holding a manicurist/esthetician specialty license may perform only the practice of cosmetology defined in Sections 1602.002(a)(4) through (9) [~~1602.002(a)(5) through (10)~~].

SECTION 11. Section 1602.305(a), Occupations Code, is amended to read as follows:

(a) A person holding a specialty shop license may maintain an establishment in which only the practice of cosmetology as defined in Section 1602.002(a)(2), (5), (7), (8), or (10) [~~1602.002(a)(3), (6), (8), (9), or (11)~~] is performed.

SECTION 12. Section 1602.354(a), Occupations Code, is amended to read as follows:

(a) The commission will by rule recognize, prepare, or administer continuing education programs for the practice of cosmetology. Participation in the programs is mandatory for all license renewals [~~other than renewal of a shampoo specialty certificate~~].

SECTION 13. Section 1602.403(c), Occupations Code, is amended to read as follows:

(c) A person holding a beauty shop license or specialty shop license may not employ[~~:~~

[~~(1)~~] a person as an operator or specialist or lease to a person who acts as an operator or specialist unless the person holds a license or certificate under this chapter or under Chapter 1601[~~; or~~

[~~(2) a person to shampoo or condition a person's hair unless the person holds a shampoo apprentice permit or student permit~~].

SECTION 14. Section 1603.352(a), Occupations Code, is amended to read as follows:

(a) A person who holds a license, certificate, or permit issued under this chapter, Chapter 1601, or Chapter 1602 and who performs a barbering service described by Section 1601.002(1)(E) or (F) or a cosmetology service described by Section 1602.002(a)(8) or (9) [~~1602.002(a)(9) or (10)~~] shall, before performing the service, clean, disinfect, and sterilize with an autoclave or dry heat sterilizer or sanitize with an ultraviolet sanitizer, in accordance with the sterilizer or sanitizer manufacturer's instructions, each metal instrument, including metal nail clippers, cuticle pushers, cuticle nippers, and other metal instruments, used to perform the service.

SECTION 15. The following provisions of the Occupations Code are repealed:

(1) Section 1601.260(c);
(2) Section 1601.261;
(3) Section 1601.301(c);
(4) Section 1602.266(c);
(5) Section 1602.267;
(6) Section 1602.301(c); and
(7) Section 1602.456(b-1).

SECTION 16. On the effective date of this Act:

(1) a shampoo apprentice permit issued under former Section 1601.261 or 1602.267, Occupations Code, expires; and

(2) a shampoo specialty certificate issued under Chapter 1602 expires.

SECTION 17. (a) The changes in law made by this Act do not affect the validity of a proceeding pending before a court or other governmental entity on the effective date of this Act.

(b) An offense or other violation of law committed before the effective date of this Act is governed by the law in effect when the offense or violation was committed, and the former law is continued in effect for that purpose. For purposes of this subsection, an offense or violation was committed before the effective date of this Act if any element of the offense or violation occurred before that date.

SECTION 18. This Act takes effect September 1, 2017.

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to **SB 1503**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1076 WITH HOUSE AMENDMENTS

Senator Schwertner called **SB 1076** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 1076** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to amounts charged to an enrollee in a health benefit plan for prescription drugs covered by the plan.

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

SECTION 1. Section 1369.001, Insurance Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "Enrollee" means an individual who is covered under a health benefit plan, including a covered dependent.

SECTION 2. Subchapter A, Chapter 1369, Insurance Code, is amended by adding Section 1369.0041 to read as follows:

Sec. 1369.0041. LIMIT ON PAYMENT REQUIRED UNDER PLAN. A health benefit plan issuer that covers prescription drugs may not require an enrollee to make a payment for a prescription drug at the point of sale in an amount greater than the lesser of:

(1) the applicable copayment;

(2) the allowable claim amount for the prescription drug; or

(3) the amount an individual would pay for the drug if the individual purchased the drug without using a health benefit plan or any other source of drug benefits or discounts.

SECTION 3. Section 1369.0041, Insurance Code, as added by this Act, applies only to a health benefit plan that is delivered, issued for delivery, or renewed on or after January 1, 2018. A plan delivered, issued for delivery, or renewed before January 1, 2018, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2017.

Floor Amendment No. 1 on Third Reading

Amend **SB 1076** on third reading as follows:

(1) In SECTION 2 of the bill, in added Section 1369.0041, Insurance Code, strike "LIMIT ON PAYMENT REQUIRED UNDER PLAN." and substitute "CERTAIN PAYMENTS AND REFILLS. (a)".

(2) In SECTION 2 of the bill, following added Section 1369.0041(a), Insurance Code, insert the following:

(b) A health benefit plan that covers prescription eye drops to treat a chronic eye disease or condition must allow the refill of prescription eye drops if the enrollee timely pays at the point of sale the maximum amount allowed by Subsection (a) and:

(1) the original prescription states that additional quantities of the eye drops are needed;

(2) the refill does not exceed the total quantity of dosage units authorized by the prescribing provider on the original prescription, including refills; and

(3) the refill is dispensed on or before the last day of the prescribed dosage period and:

(A) not earlier than the 21st day after the date a prescription for a 30-day supply of eye drops is dispensed;

(B) not earlier than the 42nd day after the date a prescription for a 60-day supply of eye drops is dispensed; or

(C) not earlier than the 63rd day after the date a prescription for a 90-day supply of eye drops is dispensed.

The amendments were read.

Senator Schwertner moved to concur in the House amendments to **SB 1076**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Huffines.

SENATE BILL 1910 WITH HOUSE AMENDMENTS

Senator Zaffirini called **SB 1910** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1910** (house committee report) as follows:

(1) On page 1, line 10, strike "shall" and substitute "may".

(2) On page 1, line 11, strike "audited" and substitute "assessed".

(3) On page 1, strike lines 15-20, and substitute the following:

Sec. 2054.136. DESIGNATED INFORMATION SECURITY OFFICER. Each state agency shall designate an information security officer who:

(1) reports to the agency's executive level management;

(2) has authority over information security for the entire agency;

(3) possesses the training and experience required to perform the duties required by department rules; and

(4) to the extent feasible, has information security duties as the officer's primary duties.

(4) On page 1, line 22, strike "Section 2054.516" and substitute "Sections 2054.516 and 2054.517".

(5) On page 1, line 24, between "agency" and "implementing", insert ", other than an institution of higher education subject to Section 2054.517,".

(6) On page 2, strike lines 1-22, and substitute the following:

website or mobile application that processes any sensitive personally identifiable or confidential information must:

(1) submit a biennial data security plan to the department not later than October 15 of each even-numbered year, to establish planned beta testing for websites or applications; and

(2) subject the website or application to a vulnerability and penetration test and address any vulnerability identified in the test.

(7) On page 2, line 23, strike "(c)" and substitute "(b)".

(8) On page 2, between lines 26 and 27, insert the following:

Sec. 2054.517. DATA SECURITY PROCEDURES FOR ONLINE AND MOBILE APPLICATIONS OF INSTITUTIONS OF HIGHER EDUCATION. (a) Each institution of higher education, as defined by Section 61.003, Education Code, shall adopt and implement a policy for Internet website and mobile application security procedures that complies with this section.

(b) Before deploying an Internet website or mobile application that processes confidential information for an institution of higher education, the developer of the website or application for the institution must submit to the institution's information security officer the information required under policies adopted by the institution to

protect the privacy of individuals by preserving the confidentiality of information processed by the website or application. At a minimum, the institution's policies must require the developer to submit information describing:

(1) the architecture of the website or application;

(2) the authentication mechanism for the website or application; and

(3) the administrator level access to data included in the website or application.

(c) Before deploying an Internet website or mobile application described by Subsection (b), an institution of higher education must subject the website or application to a vulnerability and penetration test conducted internally or by an independent third party.

(d) Each institution of higher education shall submit to the department the policies adopted as required by Subsection (b). The department shall review the policies and make recommendations for appropriate changes.

Floor Amendment No. 2

Amend **SB 1910** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Subchapter C, Chapter 2054, Government Code, is amended by adding Sections 2054.0591 and 2054.0592 to read as follows:

Sec. 2054.0591. CYBERSECURITY REPORT. (a) Not later than November 15 of each even-numbered year, the departments hall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and the standing committee of each house of the legislature with primary jurisdiction over state government operations a report identifying preventive and recovery efforts the state can undertake to improve cybersecurity in this state. The report must include:

(1) an assessment of the resources available to address the operational and financial impacts of a cybersecurity event;

(2) a review of existing statutes regarding cybersecurity and information resources technologies;

(3) recommendations for legislative action to increase the state's cybersecurity and protect against adverse impacts from a cybersecurity event;

(4) an evaluation of the costs and benefits of cybersecurity insurance; and

(5) an evaluation of tertiary disaster recovery options.

(b) The department or a receipt of a report under this section may redact or withhold information confidential under Chapter 552, including Section 552.139, or other state or federal law that is contained in the report in response to a request under Chapter 552 without the necessity of requesting a decision from the attorney general under Subchapter G, Chapter 552.

Sec. 2054.0592. CYBERSECURITY EMERGENCY FUNDING. If a cybersecurity event creates a need for emergency funding, the department may request that the governor or Legislative Budget Board make a proposal under Chapter 317 to provide funding to manage the operational and financial impacts from the cybersecurity event.

Floor Amendment No. 3

Amend **SB 1910** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Subchapter F, Chapter 2054, Government Code, is amended by adding Section 2054.1184 to read as follows:

Sec. 2054.1184. ASSESSMENT OF MAJOR INFORMATION RESOURCES PROJECT. (a) A state agency proposing to spend appropriated funds for a major information resources project must first conduct an execution capability assessment to:

(1) determine the agency's capability for implementing the project;

(2) reduce the agency's financial risk in implementing the project; and

(3) increase the probability of the agency's successful implementation of the project.

(b) A state agency shall submit to the department, the quality assurance team established under Section 2054.158, and the Legislative Budget Board a detailed report that identifies the agency's organizational strengths and any weaknesses that will be addressed before the agency initially spends appropriated funds for a major information resources project.

(c) A state agency may contract with an independent third party to conduct the assessment under Subsection (a) and prepare the report described by Subsection (b).

The amendments were read.

Senator Zaffirini moved to concur in the House amendments to **SB 1910**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1911 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 1911** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1911** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 323.021, Local Government Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) The commissioners court of a county by order may establish and maintain a county law library at the county seat or another location determined by the commissioners court.

(c) The commissioners court of a county may establish, maintain, and operate in cooperation with other counties a joint free county law library for the benefit of the cooperating counties in the same manner that a joint county library may be established and operated under Section 323.010.

SECTION ____. Section 323.023(b), Local Government Code, is amended to read as follows:

(b) The clerks of the respective courts shall collect the costs and pay them to the county treasurer, or to any other official who discharges the duties commonly delegated to the county treasurer, for deposit in a fund to be known as the county law library fund. The fund may be used only for:

(1) establishing the law library after the entry of the order creating it;

(2) purchasing or leasing library materials, maintaining the library, or acquiring furniture, shelving, or equipment for the library; [~~or~~]

(3) purchasing or leasing library materials or acquiring library equipment, including computers, software, and subscriptions to obtain access to electronic research networks for use by judges in the county; or

(4) establishing and maintaining a self-help center to provide resources to county residents representing themselves in legal matters.

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to **SB 1911**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

(President in Chair)

SENATE BILL 2212 WITH HOUSE AMENDMENTS

Senator Hancock called **SB 2212** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 2212** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to certain real estate sales, brokerage, and advertising activities, certain functions of the Texas Real Estate Commission, and the authorization of a ground lease with the Texas Facilities Commission to construct or maintain a building.

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

SECTION 1. Subchapter A, Chapter 1101, Occupations Code, is amended by adding Section 1101.0045 to read as follows:

Sec. 1101.0045. EQUITABLE INTERESTS IN REAL PROPERTY. (a) A person may acquire an option or an interest in a contract to purchase real property and then sell or offer to sell the option or assign or offer to assign the contract without holding a license issued under this chapter if the person:

(1) does not use the option or contract to purchase to engage in real estate brokerage; and

(2) discloses the nature of the equitable interest to any potential buyer.

(b) A person selling or offering to sell an option or assigning or offering to assign an interest in a contract to purchase real property without disclosing the nature of that interest to a potential buyer is engaging in real estate brokerage.

SECTION 2. Section 1101.156(b), Occupations Code, is amended to read as follows:

(b) The commission may not include in rules to prohibit false, misleading, or deceptive practices by a person regulated by the commission a rule that:

(1) restricts the use of any advertising medium;

(2) restricts the person's personal appearance or use of the person's voice in an advertisement;

(3) relates to the size or duration of an advertisement used by the person; [~~or~~]

(4) restricts the person's advertisement under an assumed or [~~a~~] trade name that is authorized by a law of this state and registered with the commission; or

(5) requires the term "broker," "agent," or a similar designation or term, a reference to the commission, or the person's license number to be included in the person's advertisement.

SECTION 3. Section 1101.652(b), Occupations Code, is amended to read as follows:

(b) The commission may suspend or revoke a license issued under this chapter or take other disciplinary action authorized by this chapter if the license holder, while engaged in real estate brokerage:

(1) acts negligently or incompetently;

(2) engages in conduct that is dishonest or in bad faith or that demonstrates untrustworthiness;

(3) makes a material misrepresentation to a potential buyer concerning a significant defect, including a latent structural defect, known to the license holder that would be a significant factor to a reasonable and prudent buyer in making a decision to purchase real property;

(4) fails to disclose to a potential buyer a defect described by Subdivision (3) that is known to the license holder;

(5) makes a false promise that is likely to influence a person to enter into an agreement when the license holder is unable or does not intend to keep the promise;

(6) pursues a continued and flagrant course of misrepresentation or makes false promises through an agent or sales agent, through advertising, or otherwise;

(7) fails to make clear to all parties to a real estate transaction the party for whom the license holder is acting;

(8) receives compensation from more than one party to a real estate transaction without the full knowledge and consent of all parties to the transaction;

(9) fails within a reasonable time to properly account for or remit money that is received by the license holder and that belongs to another person;

(10) commingles money that belongs to another person with the license holder's own money;

(11) pays a commission or a fee to or divides a commission or a fee with a person other than a license holder or a real estate broker or sales agent licensed in another state for compensation for services as a real estate agent;

(12) fails to specify a definite termination date that is not subject to prior notice in a contract, other than a contract to perform property management services, in which the license holder agrees to perform services for which a license is required under this chapter;

(13) accepts, receives, or charges an undisclosed commission, rebate, or direct profit on an expenditure made for a principal;

(14) solicits, sells, or offers for sale real property by means of a lottery;

(15) solicits, sells, or offers for sale real property by means of a deceptive practice;

(16) acts in a dual capacity as broker and undisclosed principal in a real estate transaction;

(17) guarantees or authorizes or permits a person to guarantee that future profits will result from a resale of real property;

(18) places a sign on real property offering the real property for sale or lease without obtaining the written consent of the owner of the real property or the owner's authorized agent;

(19) offers to sell or lease real property without the knowledge and consent of the owner of the real property or the owner's authorized agent;

(20) offers to sell or lease real property on terms other than those authorized by the owner of the real property or the owner's authorized agent;

(21) induces or attempts to induce a party to a contract of sale or lease to break the contract for the purpose of substituting a new contract;

(22) negotiates or attempts to negotiate the sale, exchange, or lease of real property with an owner, landlord, buyer, or tenant with knowledge that that person is a party to an outstanding written contract that grants exclusive agency to another broker in connection with the transaction;

(23) publishes or causes to be published an advertisement [~~, including an advertisement by newspaper, radio, television, the Internet, or display,~~] that:

(A) misleads or is likely to deceive the public;

(B) [~~,~~] tends to create a misleading impression;

(C) implies that a sales agent is responsible for the operation of the broker's real estate brokerage business; [~~,~~] or

(D) fails to include [~~identify~~] the name of the broker for whom the license holder acts, which name may be the licensed name, assumed name, or trade name of the broker as authorized by a law of this state and registered with the commission [~~person causing the advertisement to be published as a licensed broker or agent~~];

(24) withholds from or inserts into a statement of account or invoice a statement that the license holder knows makes the statement of account or invoice inaccurate in a material way;

(25) publishes or circulates an unjustified or unwarranted threat of a legal proceeding or other action;

(26) establishes an association by employment or otherwise with a person other than a license holder if the person is expected or required to act as a license holder;

(27) aids, abets, or conspires with another person to circumvent this chapter;

(28) fails or refuses to provide, on request, a copy of a document relating to a real estate transaction to a person who signed the document;

(29) fails to advise a buyer in writing before the closing of a real estate transaction that the buyer should:

(A) have the abstract covering the real estate that is the subject of the contract examined by an attorney chosen by the buyer; or

(B) be provided with or obtain a title insurance policy;

(30) fails to deposit, within a reasonable time, money the license holder receives as escrow or trust funds in a real estate transaction:

(A) in trust with a title company authorized to do business in this state; or

(B) in a custodial, trust, or escrow account maintained for that purpose in a banking institution authorized to do business in this state;

(31) disburses money deposited in a custodial, trust, or escrow account, as provided in Subdivision (30), before the completion or termination of the real estate transaction;

(32) discriminates against an owner, potential buyer, landlord, or potential tenant on the basis of race, color, religion, sex, disability, familial status, national origin, or ancestry, including directing a prospective buyer or tenant interested in equivalent properties to a different area based on the race, color, religion, sex, disability, familial status, national origin, or ancestry of the potential owner or tenant; or

(33) disregards or violates this chapter.

SECTION 4. Section 1105.003(f), Occupations Code, is amended to read as follows:

(f) Not later than August 31 of each fiscal year, the agency shall remit [~~$750,000~~] to the general revenue fund the sum of $750,000 minus amounts expended each fiscal year until September 1, 2029, to construct or maintain a building in the Capitol Complex, including amounts expended for repayment of a construction loan, to be developed, constructed, maintained, and operated in conjunction with the Texas Facilities Commission and subject to Chapters 443, 2165, and 2166, Government Code, at 203 West Martin Luther King, Jr., Boulevard designated as Parking Lot 19.

SECTION 5. Subchapter D, Chapter 5, Property Code, is amended by adding Section 5.086 to read as follows:

Sec. 5.086. EQUITABLE INTEREST DISCLOSURE. Before entering into a contract, a person selling an option or assigning an interest in a contract to purchase real property must disclose to any potential buyer that the person is selling only an option or assigning an interest in a contract and that the person does not have legal title to the real property.

SECTION 6. Notwithstanding Section 2165.259, Government Code, for purposes of constructing a building in the Capitol Complex pursuant to Section 1105.003(f), Occupations Code, as amended by this Act, the Texas Facilities Commission has the authority to enter into a ground lease with the Texas Real Estate Commission pursuant to Subchapter D, Chapter 2165, Government Code, for the location of a building at the following described real property, also known as 203 West Martin Luther King, Jr., Boulevard and designated as Parking Lot 19:

The Northeast 1/4, the North 1/2 of the Southeast 1/4, and the East 5 feet of the Northwest 1/4 and East 5 feet of the North 1/2 of the Southwest 1/4, all in Out-lot No. 42, Division "E", in the City of Austin, Travis County Texas.

SECTION 7. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2017.

(b) Section 1105.003(f), Occupations Code, as amended by this Act, takes effect September 1, 2019.

Floor Amendment No. 1

Amend **CSSB 2212** (house committee printing) as follows:

(1) Strike page 7, lines 2-12.

(2) Strike page 7, line 21, through page 8, line 10, and substitute the following appropriately numbered SECTION:

SECTION ____. This Act takes effect September 1, 2017.

(3) Renumber the SECTIONS of the bill accordingly.

The amendments were read.

Senator Hancock moved to concur in the House amendments to **SB 2212**.

The motion prevailed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Creighton.

BILLS AND RESOLUTION SIGNED

The President announced the signing of the following enrolled bills and resolution in the presence of the Senate after the captions had been read:

HB 10, **HB 45**, **HB 238**, **HB 280**, **HB 490**, **HB 505**, **HB 785**, **HB 1075**, **HB 1099**, **HB 1151**, **HB 1217**, **HB 1260**, **HB 1298**, **HB 1455**, **HB 1469**, **HB 1472**, **HB 1492**, **HB 1494**, **HB 1644**, **HB 1724**, **HB 1787**, **HB 1866**, **HB 1877**, **HB 1904**, **HB 1917**, **HB 1944**, **HB 1983**, **HB 2015**, **HB 2070**, **HB 2087**, **HB 2119**, **HB 2157**, **HB 2220**, **HB 2252**, **HB 2334**, **HB 2369**, **HB 2559**, **HB 2578**, **HB 2610**, **HB 2908**, **HB 3019**, **HB 3024**, **HB 3046**, **HB 3055**, **HB 3056**, **HB 3125**, **HB 3218**, **HB 3391**, **HB 3423**, **HB 3442**, **HB 3765** (Signed subject to Sec. 49-a, Art. III, Texas Constitution), **HB 3803**, **HB 3859**, **HB 3907**, **HB 3921**, **HB 3952**, **HB 4038**, **HB 4147**, **HJR 100**.

SENATE BILL 801 WITH HOUSE AMENDMENT

Senator Seliger called **SB 801** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 801** (house committee report) as follows:

(1) On page 1, line 5, strike "Section 31.023(b), Education Code, is amended" and substitute "Section 31.023, Education Code, is amended by amending Subsection (b) and adding Subsection (c)".

(2) On page 1, line 8, between "errors" and the underlined semicolon, insert "and aligned with contemporary scholarship".

(3) On page 1, line 10, between "submitted" and the underlined semicolon, insert ", as determined by an instructional material review team appointed by the commissioner".

(4) On page 1, between lines 12 and 13, insert the following:

(c) For purposes of Subsection (b), an academic expert may not be an author of the instructional material under consideration or an employee of the publisher of the instructional material under consideration. An academic expert must have at least five years of higher education teaching experience in:

(1) the subject under review and a terminal degree in that subject; or

(2) the field of education and a doctoral degree in education.

(5) On page 1, line 13, strike "Section 31.035(a), Education Code, is amended" and substitute "Section 31.035, Education Code, is amended by amending Subsection (a) and adding Subsection (a-1)".

(6) On page 2, line 4, between "errors" and the underlined semicolon, insert "and aligned with contemporary scholarship".

(7) On page 2, line 5, between "level" and the underlined semicolon, insert ", as determined by an instructional material review team appointed by the commissioner".

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

(a-1) For purposes of Subsection (a), an academic expert may not be an author of the instructional material under consideration or an employee of the publisher of the instructional material under consideration. An academic expert must have at least five years of higher education teaching experience in:

(1) the subject under review and a terminal degree in that subject; or

(2) the field of education and a doctoral degree in education.

The amendment was read.

Senator Seliger moved that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed without objection.

The President asked if there were any motions to instruct the conference committee on **SB 801** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate: Senators Seliger, Chair; Campbell, Hughes, Uresti, and Bettencourt.

SENATE RESOLUTION 893

Senator Miles offered the following resolution:

WHEREAS, The University of Houston has provided the Texas Legislature with an impressive group of Fellows from its Hobby School of Public Affairs during the 85th Session; and

WHEREAS, The Hobby Fellowship program was launched in 2012 to give undergraduate students the opportunity to work as full-time interns in the Texas Capitol; each Fellow is assigned to the office of a state legislator and helps support its operations by attending meetings and hearings, interacting with constituents and other stakeholders, and carrying out a range of other functions; in addition to gaining valuable experience in the field of public service, they learn more about the legislative process and the issues facing citizens of the Lone Star State; and

WHEREAS, The dedicated students who have served as Hobby Fellows during the 85th Legislature are Troy Allen, Jennifer Edwards, J Ehlinger, Jon Garcia, Maycie George, Mariah Grayson, Emily Joslin, Jason LaBarbera, Rish Oberoi, and Giovanni Perez; and

WHEREAS, Through their hard work and commitment to excellence, the 2017 Hobby Fellows have rendered invaluable service to their respective legislative offices, and they are indeed deserving of special recognition for their efforts; now, therefore, be it

RESOLVED, That the Senate of the 85th Texas Legislature hereby commend the Fellows from the University of Houston Hobby School of Public Affairs for their outstanding contributions to the Texas Legislature and extend to them sincere best wishes for continued success in all their endeavors; and, be it further

RESOLVED, That an official copy of this resolution be prepared for the 2017 Hobby Fellows as an expression of high regard by the Texas Senate.

SR 893 was read and was adopted without objection.

GUESTS PRESENTED

Senator Miles, joined by the President, was recognized and introduced to the Senate 2017 Hobby Fellows: Mariah Grayson, Jason LaBarbera, Jon Garcia, J Ehlinger, Emily Joslin, Maycie George, Troy Allen, Giovanni Perez, Jennifer Edwards, and Rish Oberoi.

The Senate welcomed its guests.

RECESS

On motion of Senator Whitmire, the Senate at 3:43 p.m. recessed until 5:30 p.m. today.

AFTER RECESS

The Senate met at 5:47 p.m. and was called to order by Senator Watson.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER
Austin, Texas
Friday, May 26, 2017 - 3

The Honorable President of the Senate
Senate Chamber
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 7 (140 Yeas, 0 Nays, 2 Present, not voting)

HB 351 (132 Yeas, 11 Nays, 2 Present, not voting)

HB 1111 (144 Yeas, 2 Nays, 2 Present, not voting)

HB 1372 (135 Yeas, 9 Nays, 1 Present, not voting)

HB 2025 (139 Yeas, 5 Nays, 2 Present, not voting)

HB 2263 (132 Yeas, 12 Nays, 1 Present, not voting)

HB 2561 (131 Yeas, 15 Nays, 1 Present, not voting)

HB 2590 (144 Yeas, 1 Nays, 1 Present, not voting)

HB 3050 (99 Yeas, 43 Nays, 1 Present, not voting)

HB 4034 (141 Yeas, 1 Nays, 2 Present, not voting)

THE HOUSE HAS REFUSED TO CONCUR IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

HB 8 (non-record vote)
House Conferees: Capriglione - Chair/Blanco/Burrows/Dale/Parker

HB 22 (non-record vote)
House Conferees: Huberty - Chair/Bernal/Dutton/King, Ken/VanDeaver

HB 929 (non-record vote)
House Conferees: Miller - Chair/Larson/Laubenberg/Reynolds/Schofield

HB 1886 (non-record vote)
House Conferees: Miller - Chair/Bernal/Bonnen, Dennis/Cosper/Huberty

HB 2912 (non-record vote)
House Conferees: King, Phil - Chair/Dean/Guillen/Lambert/Morrison, Geanie W.

HB 2937 (non-record vote)
House Conferees: Canales - Chair/Ashby/González, Mary/Longoria/Nevárez

THE HOUSE HAS GRANTED THE REQUEST OF THE SENATE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

SB 5 (non-record vote)
House Conferees with Instructions:
King, Phil - Chair/Fallon/Goldman/Laubenberg/Lucio III

SB 11 (non-record vote)
House Conferees: Frank - Chair/Burkett/Dale/Klick/Raymond

SB 30 (non-record vote)
House Conferees: Thompson, Senfronia - Chair/Coleman/King, Phil/Nevárez/White

SB 277 (non-record vote)
House Conferees with Instructions: Frank - Chair/Blanco/Hunter/Murr/Price

SB 302 (non-record vote)
House Conferees with Instructions: Thompson, Senfronia - Chair/Gonzales, Larry/Minjarez/Raymond/Smithee

SB 303 (non-record vote)
House Conferees:
Thompson, Senfronia - Chair/Gonzales/Larry/Minjarez/Raymond/Smithee

SB 319 (non-record vote)
House Conferees: Raymond - Chair/Anderson, Charles "Doc"/Burkett/Gonzales, Larry/Thompson, Senfronia

SB 416 (non-record vote)
House Conferees: Smithee - Chair/Farrar/Laubenberg/Murr/Thompson, Senfronia

SB 715 (non-record vote)
House Conferees with Instructions: Huberty - Chair/Cortez/Geren/Larson/Rodriguez, Justin

SB 813 (non-record vote)
House Conferees: Meyer - Chair/Clardy/Hefner/Minjarez/Phelan

SB 894 (non-record vote)
House Conferees: Muñoz, Jr. - Chair/Davis, Sarah/Price/Raymond/Zerwas

SB 968 (non-record vote)
House Conferees: Alvarado - Chair/Clardy/Hinojosa, Gina/Leach/Lozano

SB 999 (non-record vote)
House Conferees: Giddings - Chair/Frank/Klick/Raymond/Wu

SB 1148 (non-record vote)
House Conferees: Bonnen, Greg - Chair/Coleman/Oliverson/Price/Zerwas

SB 1172 (non-record vote)
House Conferees: Geren - Chair/Elkins/Goldman/Hefner/King, Tracy O.

SB 1248 (non-record vote)
House Conferees: Lucio III - Chair/Guillen/Kacal/Kuempel/Roberts

SB 1329 (non-record vote)
House Conferees: Smithee - Chair/Gutierrez/Hernandez/Parker/Schofield

SB 1511 (non-record vote)
House Conferees: Price - Chair/Darby/Larson/Moody/Workman

SB 1625 (non-record vote)
House Conferees: Cortez - Chair/Oliverson/Rodriguez, Justin/Sheffield/Zerwas

SB 1633 (non-record vote)
House Conferees: Oliverson - Chair/Burkett/Darby/King, Ken/Nevárez

SB 1831 (non-record vote)
House Conferees: Capriglione - Chair/Collier/Cosper/Goldman/Roberts

SB 1913 (non-record vote)
House Conferees:
Thompson, Senfronia - Chair/Capriglione/Davis, Yvonne/Thierry/White

SB 2131 (non-record vote)
House Conferees: Howard - Chair/Clardy/Moody/Morrison, Geanie W./Rodriguez, Justin

SB 2227 (non-record vote)
House Conferees: Martinez, "Mando" - Chair/Minjarez/Morrison, Geanie W./Phillips/Wray

THE HOUSE HAS TAKEN THE FOLLOWING OTHER ACTION:

HB 1595
Pursuant to a sustained point of order due to non-germane amendments, the house returns HB 1595 to the senate for further consideration.

HB 2305
Pursuant to a sustained point of order due to non-germane amendments, the house returns HB 2305 to the senate for further consideration.

HB 3124
Pursuant to Rule 13, section 5A of the Rules of the Texas House, 85th Legislature, the house hereby returns house bill 3124 to the senate for further consideration due to non-germane amendments.

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

SENATE BILL 762 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Menéndez called **SB 762** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 2

Amend **SB 762** (house committee printing) by striking lines 14 through 16, and substituting "state jail felony".

Floor Amendment No. 3

Amend **SB 762** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Article 42A.511, Code of Criminal Procedure, is amended to read as follows:

Art. 42A.511. COMMUNITY SUPERVISION FOR CERTAIN OFFENSES INVOLVING ANIMALS. (a) If a judge grants community supervision to a defendant convicted of an offense under Section 42.09, 42.091, 42.092, or 42.10, Penal Code, the judge may require the defendant to:

(1) complete an online responsible pet owner course approved and certified by the Texas Department of Licensing and Regulation; or

(2) attend a responsible pet owner course sponsored by a municipal animal shelter, as defined by Section 823.001, Health and Safety Code, that:

(A) [~~(1)~~] receives federal, state, county, or municipal funds; and

(B) [~~(2)~~] serves the county in which the court is located.

(b) For purposes of the online responsible pet owner course described by Subsection (a)(1), the Texas Department of Licensing and Regulation or the Texas Commission of Licensing and Regulation, as appropriate:

(1) is responsible for the approval, certification, and administration of the course and course providers;

(2) may charge fees for:

(A) initial and renewal course certifications;

(B) initial and renewal course provider certifications;

(C) course participant completion certificates; and

(D) other fees necessary for the administration of the course and course providers;

(3) shall adopt rules regarding the administration of the course and course providers, including rules regarding:

(A) the criteria for course approval and certification;

(B) the criteria for course provider approval and certification;

(C) curriculum development;

(D) course length and content;

(E) criteria for a participant to complete the course; and

(F) a course completion certificate that is acceptable to a court;

(4) is authorized to monitor and audit the provision of the course by the course providers; and

(5) may take enforcement actions as appropriate to enforce this subsection.

SECTION ____. Not later than March 1, 2018, the Texas Department of Licensing and Regulation or the Texas Commission of Licensing and Regulation, as appropriate, shall adopt rules to implement Article 42A.511, Code of Criminal Procedure, as amended by this Act.

The amendments were read.

Senator Menéndez submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 762** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Menéndez, Chair; Huffman, Lucio, Birdwell, and Seliger.

CONFERENCE COMMITTEE ON HOUSE BILL 5
(Motion In Writing)

Senator Schwertner called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 5** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 5** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Schwertner, Chair; Nelson, Perry, Huffman, and Uresti.

SENATE BILL 463 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Seliger called **SB 463** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 463** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the use of individual graduation committees to satisfy certain public high school graduation requirements and other alternative methods to satisfy certain public high school graduation requirements.

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

SECTION 1. Section 12.104, Education Code, is amended by amending Subsection (b-2) and adding Subsection (b-3) to read as follows:

(b-2) An open-enrollment charter school is subject to the requirement to establish an individual graduation committee under Section 28.0258. This subsection expires September 1, 2019 [~~2017~~].

(b-3) An open-enrollment charter school is subject to the graduation qualification procedure established by the commissioner under Section 28.02541. This subsection expires September 1, 2019.

SECTION 2. Section 28.025(c-6), Education Code, is amended to read as follows:

(c-6) Notwithstanding Subsection (c), a person may receive a diploma if the person is eligible for a diploma under Section 28.0258. This subsection expires September 1, 2019 [~~2017~~].

SECTION 3. Subchapter B, Chapter 28, Education Code, is amended by adding Section 28.02541 to read as follows:

Sec. 28.02541. DIPLOMA FOR CERTAIN STUDENTS WHO ENTERED NINTH GRADE BEFORE 2011-2012 SCHOOL YEAR. (a) This section applies only to a student who:

(1) entered the ninth grade before the 2011-2012 school year;

(2) successfully completed the curriculum requirements for high school graduation applicable to the student when the student entered the ninth grade;

(3) has not performed satisfactorily on an assessment instrument or a part of an assessment instrument required for high school graduation, including an alternate assessment instrument offered under Section 39.025(c-1); and

(4) has been administered the assessment instrument or the part of the assessment instrument for which the student has not performed satisfactorily at least three times.

(b) Notwithstanding the requirements under this subchapter, the commissioner by rule shall establish a procedure to determine whether a student subject to this section may qualify to graduate and receive a high school diploma as provided by this section.

(c) In adopting rules under this section, the commissioner:

(1) shall designate the school district in which a student is enrolled or was last enrolled to make the decision regarding whether the student qualifies to graduate and receive a high school diploma; and

(2) shall establish criteria for school districts to develop recommendations for alternative requirements by which a student subject to this section may qualify to graduate and receive a high school diploma.

(d) In adopting rules under Subsection (c)(2), the commissioner may authorize as an alternative requirement:

(1) an alternative assessment instrument and performance standard for that assessment instrument;

(2) work experience; or

(3) military or other relevant life experience.

(e) A school district's decision regarding whether the student qualifies to graduate and receive a high school diploma is final and may not be appealed.

(f) The commissioner shall adopt rules to administer this section.

(g) This section expires September 1, 2019.

SECTION 4. Effective September 1, 2018, Section 28.0258(e), Education Code, is amended to read as follows:

(e) To be eligible to graduate and receive a high school diploma under this section, a student must successfully complete the curriculum requirements required for high school graduation[~~:~~

[~~(1)~~] identified by the State Board of Education under Section 28.025(a)[~~; or~~

[~~(2) as otherwise provided by the transition plan adopted by the commissioner under Section 28.025(h)~~].

SECTION 5. Section 28.0258(l), Education Code, is amended to read as follows:

(l) This section expires September 1, 2019 [~~2017~~].

SECTION 6. The heading to Section 28.0259, Education Code, is amended to read as follows:

Sec. 28.0259. SCHOOL DISTRICT REPORTING REQUIREMENTS FOR STUDENTS GRADUATING BASED ON INDIVIDUAL GRADUATION COMMITTEE REVIEW PROCESS.

SECTION 7. Section 28.0259(e), Education Code, is amended to read as follows:

(e) This section expires September 1, 2019 [~~2018~~].

SECTION 8. Subchapter B, Chapter 28, Education Code, is amended by adding Section 28.02591 to read as follows:

Sec. 28.02591. TEXAS HIGHER EDUCATION COORDINATING BOARD REPORTING REQUIREMENTS FOR STUDENTS GRADUATING BASED ON INDIVIDUAL GRADUATION COMMITTEE REVIEW PROCESS. (a) The Texas Higher Education Coordinating Board, in coordination with the agency, shall collect longitudinal data relating to the post-graduation pursuits of each student who is awarded a diploma based on the determination of an individual graduation committee under Section 28.0258, as that section existed before September 1, 2019, including whether the student:

(1) enters the workforce;

(2) enrolls in an associate degree or certificate program at a public or private institution of higher education;

(3) enrolls in a bachelor's degree program at a public or private institution of higher education; or

(4) enlists in the armed forces of the United States or the Texas National Guard.

(b) Not later than December 1 of each even-numbered year, the Texas Higher Education Coordinating Board shall provide a report to the legislature that includes a summary compilation of the data collected under Subsection (a) that is presented in a manner that does not identify an individual student.

(c) The Texas Higher Education Coordinating Board and the agency shall adopt rules as necessary to implement this section.

SECTION 9. Section 39.025(a-2), Education Code, as added by Chapter 5 (S.B. 149), Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

(a-2) Notwithstanding Subsection (a), a student who has failed to perform satisfactorily on end-of-course assessment instruments in the manner provided under this section may receive a high school diploma if the student has qualified for graduation under Section 28.0258. This subsection expires September 1, 2019 [~~2017~~].

SECTION 10. Section 39.025(a-3), Education Code, is amended to read as follows:

(a-3) A student who, after retaking an end-of-course assessment instrument for Algebra I or English II, has failed to perform satisfactorily as required by Subsection (a), but who receives a score of proficient on the Texas Success Initiative (TSI) diagnostic assessment for the corresponding subject for which the student failed to perform satisfactorily on the end-of-course assessment instrument satisfies the requirement concerning the Algebra I or English II end-of-course assessment, as applicable. This subsection expires September 1, 2019 [~~2017~~].

SECTION 11. Effective September 1, 2019, Section 39.025, Education Code, is amended by amending Subsection (c-1) and adding Subsection (c-2) to read as follows:

(c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed:

(1) before September 1, 1999; or

(2) before amendment by Chapter 1312 (S.B. 1031), Acts of the 80th Legislature, Regular Session, 2007.

(c-2) A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by Subsection (c-1) [~~this subsection~~] an alternate assessment instrument designated by the commissioner. The commissioner shall determine the level of performance considered to be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument applicable to the student described by Subsection (c-1) [~~required for graduation administered under this section as this section existed before September 1, 1999~~]. The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection. The commissioner's determination regarding designation of an appropriate alternate assessment instrument under this subsection and the performance required on the assessment instrument is final and may not be appealed.

SECTION 12. Except as otherwise provided by this Act, this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Floor Amendment No. 1

Amend **CSSB 463** (house committee printing) on page 1, line 15 of the bill by striking "2019" and substituting "2021".

Floor Amendment No. 1 on Third Reading

Amend **SB 463** on third reading as follows:

(1) In SECTION 1 of the bill, in amended Section 12.104(b-2), Education Code, strike "2019" and substitute "2021".

(2) In SECTION 2 of the bill, in amended Section 28.025(c-6), Education Code, strike "2019" and substitute "2021".

(3) In SECTION 3 of the bill, in added Section 28.02541(g), Education Code, strike "2019" and substitute "2021".

(4) In SECTION 5 of the bill, in amended Section 28.0258(l), Education Code, strike "2019" and substitute "2021".

(5) In SECTION 7 of the bill, in amended Section 28.0259(e), Education Code, strike "2019" and substitute "2021".

(6) In SECTION 8 of the bill, in added Section 28.02591(a), Education Code, strike "2019" and substitute "2021".

(7) In SECTION 9 of the bill, in amended Section 39.025(a-2), Education Code, as added by Chapter 5 (S.B. 149), Acts of the 84th Legislature, Regular Session, 2015, strike "2019" and substitute "2021".

(8) In SECTION 10 of the bill, in amended Section 39.025(a-3), Education Code, strike "2019" and substitute "2021".

The amendments were read.

Senator Seliger submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 463** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Seliger, Chair; Taylor of Galveston, West, Taylor of Collin, and Bettencourt.

SENATE BILL 1450 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Taylor of Galveston called **SB 1450** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1 on Third Reading

Amend **SB 1450** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill accordingly:

SECTION ____. Section 36.004, Insurance Code, is amended to read as follows:

Sec. 36.004. COMPLIANCE WITH NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS REQUIREMENTS; INTERIM RULES; REPORT. (a) Except as provided by Subsection (b) or (c) or Section 36.005, the department may not require an insurer to comply with a rule, regulation, directive, or standard adopted by the National Association of Insurance Commissioners, including a rule, regulation, directive, or standard relating to policy reserves, unless:

(1) application of the rule, regulation, directive, or standard is expressly authorized by statute; or

(2) a statute authorizes the commissioner to adopt rules consistent with the rule, regulation, directive, or standard [~~and approved by the commissioner~~].

(b) Subsection (a) does not apply to:

(1) any statute that is based on or substantially similar to a National Association of Insurance Commissioners model law or regulation;

(2) financing reporting, including mortality tables, reserve tables, and other actuarial standards for reporting reserves, under Section 843.155 and Chapters 401, 421, 425, 426, 443, 802, 1105, and 2551;

(3) securities valuations by the Securities Valuation Office of the National Association of Insurance Commissioners under this code;

(4) risk-based capital reporting under Sections 822.210, 841.205, 843.404, 884.206, and 912.308;

(5) fraud reporting under Chapters 701 and 1111A;

(6) the Own Risk and Solvency Assessment Guidance Manual and confidentiality agreements under Chapter 830; or

(7) the Interstate Insurance Product Regulation Compact under Chapter 5001.

(c) The commissioner may adopt an interim rule to require compliance with a rule, regulation, directive, or standard adopted by the National Association of Insurance Commissioners if:

(1) the commissioner finds the rule is technical or nonsubstantive in nature or necessary to preserve the department's accreditation; and

(2) before the adoption of the rule, the commissioner provides the standing committees of the senate and house of representatives with primary jurisdiction over the department with written notice of the commissioner's intent to adopt the rule.

(d) A substantive rule adopted under Subsection (c) shall remain in effect only until 30 days following the end of the next session of the legislature unless a law is enacted that authorizes the subject matter of the rule. If a law is enacted that authorizes the subject matter of the rule, the rule will continue in effect.

(e) Not later than December 31 of each even-numbered year, the department shall submit to the standing committees of the senate and house of representatives with primary jurisdiction over the department a written report that includes:

(1) the specific statutes in this code and rules adopted by the commissioner that are based on National Association of Insurance Commissioners model laws or regulations;

(2) statutory changes that may be necessary to maintain the department's accreditation; and

(3) the most recent standards the National Association of Insurance Commissioners has adopted or published that are necessary to maintain the department's accreditation.

SECTION ____. Section 36.004, Insurance Code, as amended by this Act, applies only to a rule adopted or amended on or after the effective date of this Act. A rule in effect before the effective date of this Act continues in effect until amended or superseded, subject to Section 36.005, Insurance Code.

Floor Amendment No. 2 on Third Reading

Amend **SB 1450** on third reading by adding the following appropriately numbered SECTION to the bill and renumbering SECTIONS of the bill appropriately:

SECTION ____. Subchapter C, Chapter 551, Insurance Code, is amended by adding Section 551.1041 to read as follows:

Sec. 551.1041. RULEMAKING AUTHORITY RELATING TO NOTICE OF CANCELLATION OF CERTAIN PERSONAL AUTOMOBILE INSURANCE COVERAGES. The commissioner shall exercise the commissioner's rulemaking authority to adopt rules under which an insurer that cancels a personal automobile insurance policy that provides comprehensive or collision physical damage coverage for an automobile that is subject to a purchase money lien is required to notify the lienholder, if known, that the coverage will be cancelled.

Floor Amendment No. 3 on Third Reading

Amend **SB 1450** on third reading by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Section 4101.060, Insurance Code, is amended by adding Subsection (d) to read as follows:

(d) Notwithstanding Section 4004.051, the department shall waive any continuing education requirement imposed under this chapter or Chapter 4004 for an adjuster who, during the license period for which the continuing education is required, receives a certificate of completion of a continuing education program issued by an interstate, national, or international agreement if:

(1) the number of hours required to complete the continuing education program is not less than the number of hours of continuing education that an adjuster is required to complete during the license period under Sections 4004.053 and 4004.054; and

(2) the content of the continuing education program includes the content required under Section 4004.105.

SECTION ____. (a) Not later than December 1, 2017, the commissioner of insurance shall adopt the rules necessary to implement Section 4101.060(d), Insurance Code, as added by this Act.

(b) The change in law made by Section 4101.060(d), as added by this Act, applies to continuing education requirements for an insurance adjuster's license period beginning on or after January 1, 2018.

The amendments were read.

Senator Taylor of Galveston submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 1450** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Campbell, Estes, Hancock, and Zaffirini.

SENATE BILL 1731 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Birdwell called **SB 1731** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1731** by adding the following appropriately numbered SECTION to the bill and renumbering SECTIONS of the bill as appropriate:

SECTION ____. PALLIATIVE CARE INTERDISCIPLINARY ADVISORY COUNCIL. Section 118.003, Health and Safety Code, is repealed.

Floor Amendment No. 2

Amend **SB 1731** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. ADVISORY OVERSIGHT COMMUNITY OUTREACH COMMITTEE. (a) The Advisory Oversight Community Outreach Committee is abolished.

(b) Section 411.0197, Government Code, is repealed.

SECTION ____. RAIN HARVESTING AND WATER RECYCLING TASK FORCE. (a) The task force under Section 2113.301(h), Government Code, as repealed by this section, is abolished.

(b) Section 2113.301(h), Government Code, is repealed.

SECTION ____. STATE COGENERATION COUNCIL. (a) The State Cogeneration Council is abolished. All rules adopted by the State Cogeneration Council are abolished.

(b) Section 2302.024, Government Code, is amended to read as follows:

Sec. 2302.024. AUTHORITY TO SELL POWER. A [~~(a) After the council has approved the application to construct or operate a cogeneration facility, a~~] cogenerating state agency may contract in the same manner as a qualifying facility for the sale to an electric utility of firm or nonfirm power produced by the state agency cogeneration facility that exceeds the agency's power requirements.

[~~(b) A cogenerating state agency may consult with the council about the price or other terms of a contract entered under this section.~~]

(c) The following provisions of the Government Code are repealed:

(1) Section 2302.001(3);

(2) Sections 2302.002, 2302.003, 2302.004, 2302.005, 2302.006, and 2302.007;

(3) Section 2302.021(a); and

(4) Section 2302.022.

SECTION ____. PREMARITAL EDUCATION HANDBOOK ADVISORY COMMITTEE. (a) The advisory committee under Section 2.014(d), Family Code, as repealed by this section, is abolished.

(b) Section 2.014(d), Family Code, is repealed.

SECTION ____. INDEPENDENT REVIEW ORGANIZATION ADVISORY GROUP. (a) The advisory group under Section 4202.011, Insurance Code, as repealed by this section, is abolished.

(b) Section 4202.011, Insurance Code, is repealed.

SECTION ____. VEHICLE PROTECTION PRODUCT WARRANTOR ADVISORY BOARD. (a) The Vehicle Protection Product Warrantor Advisory Board is abolished.

(b) Subchapter C, Chapter 2306, Occupations Code, is repealed.

Floor Amendment No. 1 on Third Reading

Amend **SB 1731** on third reading by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. AGRICULTURE POLICY BOARD. (a) The Agriculture Policy Board is abolished.

(b) Section 2.004, Agriculture Code, is repealed.

Floor Amendment No. 2 on Third Reading

Amend **SB 1731** (house committee report printing) on third reading as follows:

(1) On page 2, strike lines 23 and 24 and substitute the following:

(a) The Texas Emissions Reduction Plan Advisory Board is abolished on the date that the programs described by Section 386.252(a), Health and Safety Code, and the funding for those programs are continued in effect.

(2) On page 2, line 25; page 3, line 17; page 4, lines 3 and 26; page 5, line 12; and page 6, line 1, insert the following language immediately preceding the first word of Subsections (b), (c), (d), (e), (f), and (g):

"Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a),"

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

(h) In effectuating the abolition of the Texas Emissions Reduction Plan Advisory board, the Texas Commission on Environmental Quality shall complete any unfinished work of the abolished advisory board, including conducting the annual review of programs required under Section 386.057(a), Health and Safety Code; In conducting that review of unfinished work, the Texas Commission on Environmental Quality shall consider the feasibility and benefits of implementing a governmental alternative fuel fleet grant program. If the commission determines that implementation of such a program is feasible and would contribute to emissions reductions, the commission may adopt rules governing the program and the eligibility for entities to receive grants from the fund created under Section 386.251, Health and Safety Code.

(i) Notwithstanding any other provision of law, the programs described by Section 386.252(a), Health and Safety Code, and the funding for those programs are continued until the last day of the state fiscal biennium during which the United States Environmental Protection Agency publishes in the Federal Register certification that, with respect to each national ambient air quality standard for ozone under 40 C.F.R. Section 81.344, the agency has, for each designated area under that section, designated the area as attainment or unclassifiable or approved a redesignation substitute making a finding of attainment for the area.

The amendments were read.

Senator Birdwell submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 1731** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Birdwell, Chair; Taylor of Galveston, Estes, Nichols, and Zaffirini.

SENATE BILL 2014 WITH HOUSE AMENDMENT
(Motion In Writing)

Senator Creighton called **SB 2014** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 2014** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the administration of certain water districts.

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

SECTION 1. Section 49.181, Water Code, is amended by amending Subsection (f) and adding Subsections (i), (j), (k), and (l) to read as follows:

(f) The commission shall determine whether the project to be financed by the bonds is feasible and issue an order either approving or disapproving, as appropriate, the issuance of the bonds. If the commission determines that an application for the approval of bonds complies with the requirements for financial feasibility and the district submitting the application is not required to comply with rules regarding project completion, the commission may not disapprove the issuance of bonds for all or a portion of a project or require that the funding for all or a portion of a project be escrowed solely on the basis that the construction of the project is not complete at the time of the commission's determination. The commission shall retain a copy of the order and send a copy of the order to the district.

(i) An application for the approval of bonds under this section may include financing for payment of creation and organization expenses. Expenses are creation and organization expenses if the expenses were incurred through the date of the canvassing of the confirmation election. A commission rule regarding continuous construction periods or the length of time for the payment of expenses during construction periods does not apply to expenses described by this section.

(j) The commission shall approve an application to issue bonds to finance the costs of spreading and compacting fill to remove property from the 100-year floodplain made by a levee improvement district if the application otherwise meets all applicable requirements for bond applications.

(k) The commission shall approve an application to issue bonds to finance the costs of spreading and compacting fill to provide drainage that is made by a municipal utility district or a district with the powers of a municipal utility district if the costs are less than the cost of constructing or improving drainage facilities.

(l) If a district is approved for the issuance of bonds by the commission to use a certain return flow of wastewater, the approval applies to subsequent bond authorizations unless the district seeks approval to use a different return flow of wastewater.

SECTION 2. Section 49.273(i), Water Code, is amended to read as follows:

(i) If changes in plans, [~~or~~] specifications, or scope of work are necessary or beneficial to the district, as determined by the board, after the performance of the contract is begun, or if it is necessary or beneficial to the district, as determined by the board, to decrease or increase the quantity of the work to be performed or of the materials, equipment, or supplies to be furnished, the board may approve change orders making the changes. The board may grant authority to an official or employee responsible for purchasing or for administering a contract to approve a change order that involves an increase or decrease of $50,000 or less. The aggregate of the change orders that [~~may not~~] increase the original contract price by more than 25 percent[~~. Additional change orders~~] may be issued only as a result of unanticipated conditions encountered during construction, repair, or renovation or changes in regulatory criteria or to facilitate project coordination with other political entities. A change order is not subject to the requirements of Subsection (d) or (e).

SECTION 3. Sections 54.016(a), (b), and (f), Water Code, are amended to read as follows:

(a) No land within the corporate limits of a city or within the extraterritorial jurisdiction of a city, shall be included in a district unless the city grants its written consent, by resolution or ordinance, to the inclusion of the land within the district in accordance with Section 42.042, Local Government Code, and this section. The request to a city for its written consent to the creation of a district, shall be signed by a majority in value of the holders of title of the land within the proposed district as indicated by the county tax rolls or, if there are more than 50 persons holding title to the land in the proposed district as indicated by the county tax rolls, the request to the city will be sufficient if it is signed by 50 holders of title to the land in the district. A petition for the written consent of a city to the inclusion of land within a district shall describe the boundaries of the land to be included in the district by metes and bounds or by lot and block number, if there is a recorded map or plat and survey of the area, and state the general nature of the work proposed to be done, the necessity for the work, and the cost of the project as then estimated by those filing the petition. If, at the time a petition is filed with a city for creation of a district, the district proposes to connect to a city's water or sewer system or proposes to contract with a regional water and wastewater provider which has been designated as such by the commission as of the date such petition is filed, to which the city has made a capital contribution for the

water and wastewater facilities serving the area, the proposed district shall be designated as a "city service district." If such proposed district does not meet the criteria for a city service district at the time the petition seeking creation is filed, such district shall be designated as a "noncity service district." The city's consent shall not place any restrictions or conditions on the creation of a noncity service district as defined by this chapter [~~Chapter 54 of the Texas Water Code~~] other than those expressly provided in Subsection (e) of this section and shall specifically not limit the amounts of the district's bonds. A city may not require annexation as a consent to creation of any district. A city shall not refuse to approve a district bond issue for any reason except that the district is not in compliance with valid consent requirements applicable to the district. If a city grants its written consent without the concurrence of the applicant to the creation of a noncity service district containing conditions or restrictions that the petitioning land owner or owners reasonably believe exceed the city's powers, such land owner or owners may petition the commission to create the district and to modify the conditions and restrictions of the city's consent. The commission may declare any provision of the consent to be null and void. The commission may approve the creation of a district that includes any portion of the land covered by the city's consent to creation of the district. The legislature may create and may validate the creation of a district that includes any portion of the land covered by the city's consent to the creation of the district.

(b) If the governing body of a city fails or refuses to grant permission for the inclusion of land within its extraterritorial jurisdiction in a district, including a district created by a special act of the legislature, within 90 days after receipt of a written request, a majority of the electors in the area proposed to be included in the district or the owner or owners of 50 percent or more of the land to be included may petition the governing body of the city and request the city to make available to the land the water or sanitary sewer service contemplated to be provided by the district.

(f) A city may provide in its written consent for the inclusion of land in a district that is initially located wholly or partly outside the corporate limits of the city that a contract ("allocation agreement") between the district and the city be entered into prior to the first issue of bonds, notes, warrants, or other obligations of the district. The allocation agreement shall contain the following provisions:

(1) a method by which the district shall continue to exist following the annexation of all territory within the district by the city, if the district is [~~initially~~] located outside the corporate limits of the city at the time the creation of the district is approved by the district's voters;

(2) an allocation of the taxes or revenues of the district or the city which will assure that, following the date of the inclusion of all the district's territory within the corporate limits of the city, the total annual ad valorem taxes collected by the city and the district from taxable property within the district does not exceed an amount greater than the city's ad valorem tax upon such property;

(3) an allocation of governmental services to be provided by the city or the district following the date of the inclusion of all of the district's territory within the corporate limits of the city; and

(4) such other terms and conditions as may be deemed appropriate by the city.

SECTION 4. The change in law made to Section 54.016(f), Water Code, as amended by this Act, applies only to an agreement entered into on or after the effective date of this Act. An agreement entered into before the effective date of this Act is governed by the law in effect on the date the agreement was entered into, and the former law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2017.

The amendment was read.

Senator Creighton submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 2014** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Creighton, Chair; Lucio, Nichols, Menéndez, and Kolkhorst.

CONFERENCE COMMITTEE ON HOUSE BILL 29
(Motion In Writing)

Senator Huffman called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 29** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 29** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Huffman, Chair; Schwertner, Garcia, Kolkhorst, and Perry.

CONFERENCE COMMITTEE ON HOUSE BILL 150
(Motion In Writing)

Senator Creighton called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 150** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 150** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Creighton, Chair; Huffines, Hall, Lucio, and Buckingham.

CONFERENCE COMMITTEE ON HOUSE BILL 557
(Motion In Writing)

Senator Burton called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 557** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 557** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Burton, Chair; Hughes, Whitmire, Creighton, and Perry.

CONFERENCE COMMITTEE ON HOUSE BILL 1290
(Motion In Writing)

Senator Kolkhorst called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1290** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1290** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Kolkhorst, Chair; Birdwell, Hancock, Burton, and Bettencourt.

CONFERENCE COMMITTEE ON HOUSE BILL 555
(Motion In Writing)

Senator Hughes called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 555** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 555** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hughes, Chair; Huffman, Creighton, Taylor of Galveston, and West.

CONFERENCE COMMITTEE ON HOUSE BILL 810
(Motion In Writing)

Senator Bettencourt called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 810** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 810** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Bettencourt, Chair; Schwertner, Perry, Taylor of Collin, and Menéndez.

CONFERENCE COMMITTEE ON HOUSE BILL 1003
(Motion In Writing)

Senator West called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1003** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1003** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators West, Chair; Hancock, Estes, Nichols, and Taylor of Collin.

CONFERENCE COMMITTEE ON HOUSE BILL 1036
(Motion In Writing)

Senator Whitmire called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1036** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1036** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Whitmire, Chair; Garcia, Campbell, Nelson, and Burton.

CONFERENCE COMMITTEE ON HOUSE BILL 1549
(Motion In Writing)

Senator Kolkhorst called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1549** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1549** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Kolkhorst, Chair; Schwertner, Perry, Uresti, and Bettencourt.

CONFERENCE COMMITTEE ON HOUSE BILL 1553
(Motion In Writing)

Senator Hinojosa called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1553** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1553** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hinojosa, Chair; Campbell, Lucio, Nelson, and Taylor of Galveston.

CONFERENCE COMMITTEE ON HOUSE BILL 2950
(Motion In Writing)

Senator Hinojosa called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2950** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2950** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hinojosa, Chair; Schwertner, Taylor of Collin, Watson, and Nichols.

SENATE BILL 1001 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Taylor of Galveston called **SB 1001** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1001** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION. ____. Subchapter A, Chapter 502, Transportation Code, is amended by adding Section 502.012 to read as follows:

Sec. 502.012. NOTICE REGARDING WHETHER CERTAIN TRAILERS ARE SUBJECT TO INSPECTION. The department shall include in each registration renewal notice for a vehicle that is a trailer, semitrailer, or pole trailer a statement regarding whether the vehicle is subject to inspection under Chapter 548.

Floor Amendment No. 2

Amend **SB 1001** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Section 548.3075(b), Transportation Code, is amended to read as follows:

(b) A department rule that allows an [~~a qualified~~] inspection station to perform a limited emissions inspection of a motor vehicle may not restrict the number of limited emissions [~~station to fewer than 150~~] inspections conducted by the station [~~per month~~].

Floor Amendment No. 3

Amend **SB 1001** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION. ___. Section 548.101, Transportation Code, is amended to read as follows:

Sec. 548.101. GENERAL ONE-YEAR INSPECTION PERIOD. Except as provided by Sections [~~Section~~] 548.102 and 548.1025, the department shall require an annual inspection. The department shall set the periods of inspection and may make rules with respect to those periods. The rules must provide that:

(1) a vehicle owner may obtain an inspection not earlier than 90 days before the date of expiration of the vehicle's registration; and

(2) a used motor vehicle sold by a dealer, as defined by Section 503.001, must be inspected in the 180 days preceding the date the dealer sells the vehicle.

SECTION. ____. Subchapter C, Chapter 548, Transportation Code, is amended by adding Section 548.1025 to read as follows:

Sec. 548.1025. FIVE-YEAR INSPECTION PERIOD FOR TOWABLE RECREATIONAL VEHICLE. The inspection period for a towable recreational vehicle is five years.

Floor Amendment No. 1 on Third Reading

Amend **SB 1001** on third reading as follows:

(1) Strike the SECTION of the bill amending Section 548.101, Transportation Code.

(2) Strike the SECTION of the bill adding Section 548.1025, Transportation Code.

The amendments were read.

Senator Taylor of Galveston submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 1001** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Hinojosa, Nichols, Hancock, and Perry.

CONFERENCE COMMITTEE ON HOUSE BILL 1823
(Motion In Writing)

Senator Zaffirini called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1823** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1823** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Zaffirini, Chair; Huffman, Hughes, Schwertner, and Lucio.

CONFERENCE COMMITTEE ON HOUSE BILL 2552
(Motion In Writing)

Senator Huffman called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2552** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2552** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Huffman, Chair; Nelson, Hughes, Zaffirini, and Buckingham.

CONFERENCE COMMITTEE ON HOUSE BILL 3879
(Motion In Writing)

Senator Hancock called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3879** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3879** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hancock, Chair; Creighton, Whitmire, Estes, and Nichols.

SENATE BILL 196 WITH HOUSE AMENDMENT

Senator Garcia called **SB 196** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 196** (house committee printing) as follows:

(1) On page 1, line 17, strike "A" and substitute "Except as otherwise provided by Subsection (i), a".

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

(i) This section does not apply to a school district or open-enrollment charter school with a student enrollment of less than 10,000 students.

The amendment was read.

Senator Garcia moved to concur in the House amendment to **SB 196**.

The motion prevailed by the following vote: Yeas 19, Nays 12.

Yeas: Birdwell, Estes, Garcia, Hinojosa, Huffman, Hughes, Lucio, Menéndez, Miles, Nelson, Perry, Rodríguez, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Buckingham, Burton, Campbell, Creighton, Hall, Hancock, Huffines, Kolkhorst, Nichols, Schwertner, Taylor of Collin.

CONFERENCE COMMITTEE ON HOUSE BILL 1886
(Motion In Writing)

Senator Huffman called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1886** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1886** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Huffman, Chair; Taylor of Galveston, Campbell, Rodríguez, and Zaffirini.

CONFERENCE COMMITTEE ON HOUSE BILL 2101
(Motion In Writing)

Senator Creighton called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2101** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed.

Senator Huffman asked to be recorded as "Present-not voting" on the motion to grant the request of the House for a conference committee.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2101** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Creighton, Chair; Taylor of Galveston, Estes, Miles, and Whitmire.

CONFERENCE COMMITTEE ON HOUSE BILL 2304
(Motion In Writing)

Senator Schwertner called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2304** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2304** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Schwertner, Chair; Campbell, Huffman, Birdwell, and Whitmire.

SENATE BILL 2076 WITH HOUSE AMENDMENTS

Senator Rodríguez called **SB 2076** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 2

Amend **SB 2076** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 152.062, Tax Code, is amended by adding Subsection (d) to read as follows:

(d) A seller of a motor vehicle is not required to complete a joint statement described by this section if:

(1) the seller does not hold a general distinguishing number issued under Chapter 503, Transportation Code; and

(2) the seller has complied with Section 501.028 or 501.072, Transportation Code, as applicable.

SECTION ____. Section 501.028, Transportation Code, is amended to read as follows:

Sec. 501.028. SIGNATURES [~~OWNER'S SIGNATURE~~]. (a) On receipt of a certificate of title, the owner of a motor vehicle shall write the owner's name in ink in the space provided on the certificate.

(b) Upon transfer of ownership, the seller shall complete assignment of title by signing and printing the seller's name, printing the date of transfer, and printing the purchaser's name and address on the title.

Floor Amendment No. 4

Amend **SB 2076** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION ____. Not later than December 31, 2018, the Department of Public Safety and the Texas Department of Motor Vehicles shall:

(1) conduct a study on the efficiency and necessity of the titling, including actions related to titling such as registration and inspection of vehicles in this state; and

(2) submit to the legislature a report on the results of the study that includes:

(A) identification of any elements of the vehicle titling, including actions related to titling such as registration and inspection programs that can be eliminated; and

(B) recommendations for legislation to eliminate those elements.

The amendments were read.

Senator Rodríguez moved to concur in the House amendments to **SB 2076**.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Creighton, Estes, Garcia, Hall, Hancock, Hinojosa, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Campbell, Huffines, Perry, Taylor of Collin.

SENATE BILL 1153 WITH HOUSE AMENDMENT

Senator Menéndez called **SB 1153** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1153** (house committee report) on page 4, between lines 10 and 11, by inserting the following appropriately numbered subdivision and renumbering subsequent subdivisions accordingly:

(____) be provided when the child begins to receive the assistance for that school year;

The amendment was read.

Senator Menéndez moved to concur in the House amendment to **SB 1153**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE ON SENATE BILL 1070 DISCHARGED

On motion of Senator Hancock and by unanimous consent, the Senate conferees on **SB 1070** were discharged.

Question: Shall the Senate concur in the House amendment to **SB 1070**?

Senator Hancock moved to concur in the House amendment to **SB 1070**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Taylor of Galveston.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER
Austin, Texas
Friday, May 26, 2017 - 4

The Honorable President of the Senate
Senate Chamber
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 2 (115 Yeas, 21 Nays, 1 Present, not voting)

THE HOUSE HAS GRANTED THE REQUEST OF THE SENATE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

SB 27 (non-record vote)
House Conferees: Blanco - Chair/Cortez/Muñoz, Jr./Price/Sheffield

SB 634 (non-record vote)
House Conferees: Button - Chair/Anderson, Charles "Doc"/Gooden/Hinojosa, Gina/Roberts

SB 801 (non-record vote)
House Conferees: King, Ken - Chair/Allen/Ashby/Kacal/VanDeaver

SB 1462 (non-record vote)
House Conferees: Lucio III - Chair/Burns/Coleman/Geren/Koop

SB 1539 (non-record vote)
House Conferees: Bohac - Chair/Bonnen, Dennis/Murphy/Shine/Springer

SB 1839 (non-record vote)
House Conferees: Koop - Chair/Bernal/Bohac/Meyer/VanDeaver

SB 1987 (non-record vote)
House Conferees: Murphy - Chair/Bell/Cortez/Cosper/Schubert

SB 2065 (non-record vote)
House Conferees with instructions:
Kuempel - Chair/Bailes/Goldman/Guillen/Hernandez

SB 2118 (non-record vote)
House Conferees: Davis, Sarah - Chair/Bonnen/Dennis/Giddings/Goldman/Muñoz, Jr.

SB 2244 (non-record vote)
House Conferees: Giddings - Chair/Cosper/Holland/Murphy/Perez

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

SENATE BILL 1882 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Menéndez called **SB 1882** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1882** (house committee printing) on page 2, line 7, after the underlined period, by adding the following:
All rights and protections afforded by current employment contracts or agreements may not be affected by the contract entered into between a school district and an open-enrollment charter school under this section.

Floor Amendment No. 2

Amend **SB 1882** (house committee printing) as follows:

(1) Strike page 1, line 7, through page 2, line 3, and substitute the following:

Sec. 11.174. CONTRACT REGARDING OPERATION OF DISTRICT CAMPUS. (a) A school district campus qualifies for an exemption from intervention as provided by Subsection (f) and qualifies for funding as provided by Section 42.2511 if the board of trustees of the district contracts to partner to operate the district campus as provided by this section with:

(1) the governing body of an open-enrollment charter school; or

(2) on approval by the commissioner, an entity granted a charter by the district under Subchapter C, Chapter 12, that is eligible to be awarded a charter under Section 12.101(a).

(b) The board of trustees of a school district may enter into a contract as provided by Subsection (a) only if:

(1) the charter of the open-enrollment charter school has not been previously revoked;

(2) for the three school years preceding the school year of the proposed operation of the district campus as described by Subsection (a), the open-enrollment charter school has received:

(A) an overall performance rating of acceptable or higher under Subchapter C, Chapter 39; and

(B) a financial accountability rating under Subchapter D, Chapter 39, indicating financial performance of satisfactory or higher; or

(3) the entity considered for a district authorized charter has not previously operated an open-enrollment charter school in which the charter expired or was revoked or surrendered.

(2) On page 2, lines 21 and 22, strike "the open-enrollment charter school operates the district campus" and substitute "of operation of a district campus under Subsection (a)".

(3) Strike page 2, line 27, through page 3, line 6, and substitute the following:

(g) A campus that receives an exemption from a sanction or other action under Subsection (f) may receive another exemption while operating under a subsequent contract only if the campus receives approval for the exemption from the commissioner.

(4) Strike page 3, lines 22-25, and substitute the following appropriately lettered subsections:

(____) An employee of an entity granted a district authorized charter that enters into a contract under this section to operate a district campus is eligible for membership in and benefits from the Teacher Retirement System of Texas if the employee would be eligible for membership and benefits if holding the same position at the district.

(____) A district proposing to enter into a contract under Subsection (a)(2) shall notify the commissioner of the district's intent to enter into the contract. The commissioner by rule shall establish the procedures for a district to notify the commissioner under this subsection, including the period within which the notification is required before the school year in which the proposed contract would take effect, and for a district and, if necessary, an entity to submit information as required by the commissioner. The commissioner shall notify the district whether the proposed contract is approved not later than the 60th day after the date the commissioner receives notice of the proposed contract and all information required by the commissioner to be submitted. If the commissioner fails to notify the district that the proposed contract has been approved or denied within the period prescribed by this subsection, the proposed contract is considered approved.

(____) Except as expressly provided by this section, the commissioner may not impose additional requirements on an open-enrollment charter school to be eligible for a contract under Subsection (a).

(____) The commissioner shall adopt rules as necessary to administer this section, including requirements for an entity and the contract with the entity, including the standards required for an entity to receive approval under Subsection (a)(2).

(5) Reletter subsequent subsections of Section 11.174, Education Code, accordingly.

(6) Strike page 4, lines 4-7, and substitute the following:

Sec. 42.2511. SCHOOL DISTRICT ENTITLEMENT FOR CERTAIN STUDENTS. (a) This section applies only to:

(1) a school district and an open-enrollment charter school that enter into a contract to operate a district campus as provided by Section 11.174; and

(2) a charter granted by a school district for a program operated by an entity that has entered into a contract under Section 11.174, provided that the district does not appoint a majority of the governing body of the charter holder.

The amendments were read.

Senator Menéndez submitted a Motion In Writing to concur in the House amendments to **SB 1882**.

The Motion In Writing was read and prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1401 WITH HOUSE AMENDMENT

Senator Campbell called **SB 1401** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer, Senator Watson in Chair, laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1401** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the regulation of banks and trust companies.

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

SECTION 1. Section 31.002(a), Finance Code, is amended by adding Subdivision (55-a) to read as follows:

(55-a) "Third-party service provider" means a person who performs activities relating to the business of banking on behalf of a depository institution for the depository institution's customers or on behalf of another person directly engaged in providing financial services for the person's customers. The term:

(A) includes a person who:

(i) provides data processing services;

(ii) performs activities in support of the provision of financial services, including lending, transferring funds, fiduciary activities, trading activities, and deposit taking activities; or

(iii) provides Internet-related services, including web services, processing electronic bill payments, developing and maintaining mobile applications, system and software development and maintenance, and security monitoring; and

(B) does not include a provider of an interactive computer service or a general audience Internet or communications platform, except to the extent that the service or platform is specially designed or adapted for the business of banking and activities relating to the business of banking.

SECTION 2. Section 31.107, Finance Code, is amended by amending Subsections (a) and (b) and adding Subsection (d) to read as follows:

(a) The banking commissioner may regulate and examine, to the same extent as if the services or activities were performed by a state bank on its own premises:

(1) the activities of a state bank affiliate; and

(2) the [~~performance of data processing, electronic fund transfers, or other bank~~] services or activities of a third-party service provider that a state bank or state bank affiliate has contracted for or otherwise arranged to be performed on behalf of the [~~a~~] state bank or state bank affiliate [~~by a third party contractor, other than a national bank~~].

(b) The banking commissioner may collect a fee from an examined third-party service provider [~~contractor~~] or affiliate in connection with each examination to cover the cost of the examination or may collect that fee from the state banks that use the examined third-party service provider [~~contractor~~].

(d) To promote regulatory efficiency, if, in the preceding 24 months, a third-party service provider or affiliate has been examined by a federal or state financial services regulatory agency or by a member agency of the Federal Financial Institutions Examination Council, or its successor agency, the banking commissioner may accept the results of that examination instead of conducting the banking commissioner's own examination of the third-party service provider or affiliate. Nothing in this subsection shall be construed as limiting or restricting the banking commissioner from participating in an examination of a third-party service provider or affiliate conducted by a federal or state financial services regulatory agency or by a member agency of the Federal Financial Institutions Examination Council, or its successor agency.

SECTION 3. Section 31.301(a), Finance Code, is amended to read as follows:

(a) Except as expressly provided otherwise by this subtitle, Chapter 11 or 12, or a rule adopted under this subtitle, the following are confidential and may not be disclosed by the banking commissioner or an employee of the department:

(1) information directly or indirectly obtained by the department in any manner, including an application or examination, concerning the financial condition or business affairs of a financial institution, [~~or~~] a present, former, or prospective shareholder, officer, director, or affiliate of a financial institution, or a third-party service provider of a financial institution or its affiliate, other than information in a published statement or in the public portion of a call report or profit and loss statement; and

(2) all related files and records of the department.

SECTION 4. Subchapter D, Chapter 31, Finance Code, is amended by adding Section 31.3015 to read as follows:

Sec. 31.3015. DISCLOSURE TO STATE BANKS. The banking commissioner may disclose to a state bank information about an affiliate or third-party service provider of the state bank.

SECTION 5. Section 33.106, Finance Code, is amended to read as follows:

Sec. 33.106. OFFICERS. (a) The board shall annually appoint the officers of the bank, who serve at the will of the board. Unless the banking commissioner consents otherwise in writing, a person may not serve as an officer of the state bank if:

(1) the person is the subject of an order described by Section 35.007(a); or

(2) the person has been convicted of a felony.

(b) The bank must have a principal executive officer primarily responsible for the execution of board policies and operation of the bank and an officer responsible for the maintenance and storage of all corporate books and records of the bank and for required attestation of signatures. Those positions may not be held by the same person. The board may appoint other officers of the bank as the board considers necessary.

SECTION 6. Section 35.007(a), Finance Code, is amended to read as follows:

(a) Except as otherwise provided by law, without the prior written approval of the banking commissioner, a person subject to a final and enforceable removal or prohibition order issued by the banking commissioner, or by another state, federal, or foreign financial institution regulatory agency, may not:

(1) serve as a director, officer, or employee of a state bank, state [~~or~~] trust company, or holding company of a state bank, or as a director, officer, or employee with financial responsibility of any other entity chartered, registered, permitted, or licensed by the banking commissioner under the laws of this state;

(2) directly or indirectly participate in any manner in the management of such an entity;

(3) directly or indirectly vote for a director of such an entity; or

(4) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote a proxy, consent, or authorization with respect to voting rights in such an entity.

SECTION 7. Section 35.101, Finance Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c) Subject to Subsection (d), a [~~A~~] supervisor serves until the earlier of:

(1) the expiration of the period stated in the order of supervision; or

(2) the date the banking commissioner determines that the requirements for abatement of the order have been satisfied.

(d) The banking commissioner may terminate an order of supervision at any time.

SECTION 8. Section 35.206(a), Finance Code, is amended to read as follows:

(a) On certification by the banking commissioner, a book, record, paper, or document produced or testimony taken as provided by Section 35.203 [~~35.204~~] and held by the department is admissible as evidence in any case without prior proof of its correctness and without other proof. The certified book, record, document, or paper, or a certified copy, is prima facie evidence of the facts it contains.

SECTION 9. Section 181.002(a), Finance Code, is amended by adding Subdivision (47-b) and amending Subdivision (49) to read as follows:

(47-b) "Third-party service provider" means a person who performs activities relating to the trust business on behalf of a trust institution for the trust institution's customers or on behalf of another person directly engaged in providing financial services for the person's customers. The term:

(A) includes a person who:

(i) provides data processing services;

(ii) performs activities in support of the provision of financial services, including lending, transferring funds, fiduciary activities, trading activities, and deposit taking activities; or

(iii) provides Internet-related services, including web services, processing electronic bill payments, developing and maintaining mobile applications, system and software development and maintenance, and security monitoring; and

(B) does not include a provider of an interactive computer service or a general audience Internet or communications platform, except to the extent that the service or platform is specially designed or adapted for the trust business and activities relating to the trust business.

(49) "Trust business" means the business of a company holding itself out to the public as a fiduciary for hire or compensation to hold or administer accounts. The term includes:

(A) the business of a trustee or custodian of an individual retirement account described by Section 408(a), Internal Revenue Code of 1986; and

(B) the business of an administrator or servicer of individual retirement accounts described by Section 408(a), Internal Revenue Code of 1986, who possesses or controls any assets, including cash, of those accounts and who makes the administrator's or servicer's services available to the public for hire or compensation.

SECTION 10. Section 181.106, Finance Code, is amended to read as follows:

Sec. 181.106. REGULATION AND EXAMINATION OF RELATED ENTITIES. (a) The banking commissioner may regulate and examine, to the same extent as if the services or activities were performed by a state trust company on its own premises:

(1) the activities of a state trust company affiliate; and

(2) the [~~performance of data processing, electronic fund transfers, or other~~] services or activities of a third-party service provider that a state trust company or state trust company affiliate has contracted for or otherwise arranged to be performed on behalf of the [~~a~~] state trust company or state trust company affiliate [~~by a third-party contractor~~].

(b) The banking commissioner may collect a fee from an examined third-party service provider or affiliate in connection with each examination [~~the state trust company~~] to cover the cost of the examination or may collect that fee from the state trust companies that use the examined third-party service provider.

(c) To promote regulatory efficiency, if, in the preceding 24 months, a third-party service provider or affiliate has been examined by a federal or state financial services regulatory agency or by a member agency of the Federal Financial Institutions Examination Council, or its successor agency, the banking commissioner may accept the results of that examination instead of conducting the banking commissioner's own examination of the third-party service provider or affiliate. Nothing in this subsection shall be construed as limiting or restricting the banking commissioner from participating in an examination of a third-party service provider or affiliate conducted by a federal or state financial services regulatory agency or by a member agency of the Federal Financial Institutions Examination Council, or its successor agency.

SECTION 11. Section 181.301(a), Finance Code, is amended to read as follows:

(a) Except as expressly provided otherwise by this subtitle or a rule adopted under this subtitle [~~Section 181.003(a)(1)~~], the following are confidential and may not be disclosed by the banking commissioner or an employee of the department:

(1) information directly or indirectly obtained by the department in any manner, including through an application or examination, concerning the financial condition or business affairs of a state trust company, [~~or~~] a present, former, or prospective shareholder, participant, officer, director, manager, or affiliate of the state trust company, or a third-party service provider of the state trust company or its affiliate, other than the public portions of a report of condition or income statement; and

(2) each related file or record of the department.

SECTION 12. Subchapter D, Chapter 181, Finance Code, is amended by adding Section 181.3015 to read as follows:

Sec. 181.3015. DISCLOSURE TO STATE TRUST COMPANIES. The banking commissioner may disclose to a state trust company information about an affiliate or third-party service provider of the state trust company.

SECTION 13. Section 182.021, Finance Code, is amended to read as follows:

Sec. 182.021. ACTIVITIES NOT REQUIRING CHARTER. Subject to Subchapter C, Chapter 187, a company does not engage in the trust business in a manner requiring a state charter by:

(1) acting in a manner authorized by law and in the scope of authority as an agent of a trust institution;

(2) rendering a service customarily performed as an attorney in a manner approved and authorized by the Supreme Court of Texas or State Bar of Texas;

(3) acting as trustee under a deed of trust made only as security for the payment of money or for the performance of another act;

(4) conducting business as a trust institution if the exercise of fiduciary powers in this state by the trust institution is not otherwise prohibited by law;

(5) engaging in a business regulated by the Office of Consumer Credit Commissioner, except as limited by rules adopted by the finance commission;

(6) receiving and distributing rents and proceeds of sale as a licensed real estate broker on behalf of a principal in a manner authorized by the Texas Real Estate Commission;

(7) engaging in a securities transaction or providing an investment advisory service as a licensed and registered dealer, salesman, or advisor to the extent that the activity is regulated by the State Securities Board or the Securities and Exchange Commission;

(8) engaging in the sale and administration of an insurance product by an insurance company or agent authorized or licensed by the Texas Department of Insurance to the extent that the activity is regulated by the Texas Department of Insurance;

(9) engaging in the lawful sale of prepaid funeral benefits under a permit issued by the banking commissioner under Chapter 154;

(10) engaging in the lawful business of a perpetual care cemetery corporation under Chapter 712, Health and Safety Code;

(11) engaging as a principal in the money services business under a license issued by the banking commissioner under Chapter 151;

(12) acting as trustee under a voting trust as provided by Section 6.251, Business Organizations Code;

(13) acting as trustee by a public, private, or independent institution of higher education or a university system, as defined by Section 61.003, Education Code, including an affiliated foundation or corporation of such an institution or system acting as trustee as provided by the Education Code;

(14) engaging in another activity expressly excluded from the application of this subtitle by rule of the finance commission;

(15) rendering services customarily performed by a certified accountant in a manner authorized by the Texas State Board of Public Accountancy;

(16) serving as trustee of a charitable trust as provided by Section 2.106, Business Organizations Code;

(17) performing escrow or settlement services if licensed or authorized under Title 11, Insurance Code;

(18) acting as a qualified intermediary in a tax deferred exchange under Section 1031, Internal Revenue Code of 1986, and applicable regulations; [~~or~~]

(19) providing permitted services at a trust representative office established in this state pursuant to Subchapter C, Chapter 187; or

(20) acting as a trustee or custodian approved by the Internal Revenue Service under 26 C.F.R. Section 1.408-2(e) of an individual retirement account described by Section 408(a), Internal Revenue Code of 1986.

SECTION 14. Section 183.106(a), Finance Code, is amended to read as follows:

(a) The board shall annually appoint the officers of the state trust company, who serve at the will of the board. Unless the banking commissioner consents otherwise in writing, a person may not serve as an officer of a state trust company if:

(1) the person is the subject of an order described by Section 185.007(a);

(2) the person has been convicted of a felony; or

(3) the person has violated, with respect to a trust under which the state trust company has fiduciary responsibility, Section 113.052 or 113.053(a), Property Code, relating to loan of trust funds and purchase or sale of trust property by the trustee, and the violation has not been corrected.

SECTION 15. Section 185.007(a), Finance Code, is amended to read as follows:

(a) Except as provided by other law, without the prior written approval of the banking commissioner, a person subject to a final and enforceable removal or prohibition order issued by the banking commissioner, or by another state, federal, or foreign financial institution regulatory agency, may not:

(1) serve as a director, officer, or employee of a state trust company, [~~or~~] state bank, or holding company of a state bank, or as a director, officer, or employee with financial responsibility of any other entity chartered, registered, permitted, or licensed by the banking commissioner under the laws of this state while the order is in effect;

(2) directly or indirectly participate in any manner in the management of such an entity;

(3) directly or indirectly vote for a director of such an entity; or

(4) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote a proxy, consent, or authorization with respect to voting rights in such an entity.

SECTION 16. Section 185.101, Finance Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c) Subject to Subsection (d), the [~~The~~] supervisor serves until the earlier of:

(1) the expiration of the period stated in the order of supervision; or

(2) the date the banking commissioner determines that the requirements for abatement of the order have been satisfied.

(d) The banking commissioner may terminate an order of supervision at any time.

SECTION 17. This Act takes effect September 1, 2017.

The amendment was read.

Senator Campbell moved to concur in the House amendment to **SB 1401**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE ON HOUSE BILL 2445
(Motion In Writing)

Senator Estes called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2445** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2445** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Estes, Chair; Buckingham, Zaffirini, Nelson, and Taylor of Galveston.

CONFERENCE COMMITTEE ON HOUSE BILL 2639
(Motion In Writing)

Senator Buckingham called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2639** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2639** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Buckingham, Chair; Uresti, Creighton, Hughes, and Burton.

CONFERENCE COMMITTEE ON HOUSE BILL 2994
(Motion In Writing)

Senator Hinojosa called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2994** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2994** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hinojosa, Chair; West, Seliger, Kolkhorst, and Taylor of Galveston.

CONFERENCE COMMITTEE ON HOUSE BILL 3083
(Motion In Writing)

Senator Hinojosa called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3083** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3083** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hinojosa, Chair; Watson, Buckingham, Nelson, and Huffman.

CONFERENCE COMMITTEE ON HOUSE BILL 3292
(Motion In Writing)

Senator Hinojosa called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3292** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3292** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hinojosa, Chair; Buckingham, Campbell, Uresti, and Kolkhorst.

CONFERENCE COMMITTEE ON HOUSE BILL 3767
(Motion In Writing)

Senator Uresti called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3767** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3767** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Uresti, Chair; Taylor of Galveston, Buckingham, West, and Campbell.

SENATE BILL 1381 WITH HOUSE AMENDMENT

Senator Hughes called **SB 1381** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1381** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to photo identification for certain debit or credit card transactions.

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

SECTION 1. Subtitle A, Title 11, Business & Commerce Code, is amended by adding Chapter 508 to read as follows:

CHAPTER 508. REQUIRING VERIFICATION OF IDENTITY FOR CERTAIN CARD TRANSACTIONS

Sec. 508.001. DEFINITIONS. In this chapter:

(1) "Cardholder" means the person named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued.

(2) "Credit card" means a card or device issued under an agreement by which the issuer gives to a cardholder the right to obtain credit from the issuer or another person.

(3) "Debit card" means a card, device, or other means of access to an individual's account at a financial institution that the individual may use to initiate electronic fund transfers.

(4) "Merchant" means a person in the business of selling goods or services.

(5) "Mobile wallet" means a device that uses an encrypted digital token to authenticate a cardholder's identity and account information.

(6) "Photo identification" means a card or other document that:

(A) is issued by a governmental entity to identify an individual; and

(B) displays a photograph of the individual identified on the card or other document.

Sec. 508.002. REQUIRING PHOTO IDENTIFICATION FOR CREDIT OR DEBIT CARD TRANSACTION. (a) A merchant, in a point of sale transaction, may require the individual using the credit card or debit card to provide photo identification verifying the individual's identity as the cardholder.

(b) A merchant may choose to not accept the card for payment if the individual fails to provide photo identification verifying the individual's identity as the cardholder.

(c) This section does not apply to transactions conducted with a mobile wallet.

Sec. 508.003. EXPIRATION. This chapter expires September 1, 2023.

SECTION 2. This Act takes effect January 1, 2018.

The amendment was read.

Senator Hughes moved to concur in the House amendment to **SB 1381**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Hall.

SENATE BILL 1784 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Taylor of Galveston called **SB 1784** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1784** (house committee report) as follows:

(1) On page 1, line 10, strike "permits the" and substitute "allows for".

(2) On page 1, line 11, strike "of the resource".

(3) Strike page 1, line 21, through page 2, line 18.

(4) On page 3, lines 2-3, strike "(a) A state-developed open-source instructional material" and substitute "Instructional material purchased under this subchapter".

(5) Strike page 3, lines 10-16, and substitute the following:

(3) is licensed to the state under a license that:

(A) grants the state unlimited authority to modify, delete, combine, or add content;

(B) permits the free use and repurposing of the material by any person or entity; and

(C) is for a term of use acceptable to the commissioner to ensure a useful life of the material.

(6) On page 3, lines 18-19, strike "(d), (e), and (f)" and substitute "(d), (e), (f), (g), (h), and (i)".

(7) On page 3, lines 20-21, strike "state-developed open-source instructional materials" and substitute "instructional material purchased by the state under this subchapter".

(8) On page 3, line 23, strike "a state-developed open-source" and substitute "the".

(9) On page 3, line 25, between "person" and "[~~to~~", insert "or entity".

(10) On page 4, line 3, strike "A" and substitute "The terms of a".

(11) On page 4, line 5, strike "unless exempted by the commissioner,".

(12) On page 4, line 6, strike "a state-developed open-source" and substitute "the".

(13) Strike page 4, lines 18-19, and substitute the following:

(E) to the extent reasonably practicable, must provide in any product or derivative material a uniform resource identifier or hyperlink through which a person may obtain the material free of charge;

(14) On page 4, line 27, between "license" and "[~~The~~", insert the following:

; and

(3) may include any additional terms determined by the commissioner

(15) On page 5, between lines 6 and 7, insert the following:

(d) The commissioner may exempt a license under this section from including one or more of the requirements under Subsection (c)(1).

(16) On page 5, line 7, strike "(d)" and substitute "(e)".

(17) On page 5, line 8, strike "Subsection" and substitute "Subsections (c)(1)(E) and".

(18) On page 5, line 9, strike "(e)" and substitute "(f)".

(19) On page 5, line 14, strike "(f)" and substitute "(g)".

(20) On page 5, between lines 15 and 16, insert the following:

(h) The agency may recover costs of development and any other damages from a person or entity that uses instructional material purchased by the state under this subchapter for commercial purposes in a manner that violates a requirement of a license under this section.

(i) The attorney general shall represent the agency in an action brought under Subsection (h) and may recover reasonable expenses incurred in obtaining relief, including court costs, reasonable attorney's fees, investigative costs, witness fees, and deposition costs.

(21) On page 5, between lines 22 and 23, add the following appropriately numbered SECTION to the bill:

SECTION ____. The commissioner of education may apply the changes in law made by this Act to instructional material purchased by the state under Subchapter B-1, Chapter 31, Education Code, regardless of whether the instructional material was purchased before, on, or after the effective date of this Act.

(22) Renumber SECTIONS of the bill accordingly.

Floor Amendment No. 2

Amend **SB 1784** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 26.006, Education Code, is amended by amending Subsection (c) and adding Subsections (d) and (e) to read as follows:

(c) A student's parent is entitled to request that the school district or open-enrollment charter school the student attends allow the student to take home any instructional materials used by the student. Subject to the availability of the instructional materials, the district or school shall honor the request. A student who takes home instructional materials must return the instructional materials to school at the beginning of the next school day if requested to do so by the student's teacher. A school district or open-enrollment charter school must provide the instructional materials to the student in printed book format if the student does not have reliable access to technology at the student's home. In this subsection, "instructional material" has the meaning assigned by Section 31.002.

(d) A school district or open-enrollment charter school must document each parental request made under Subsection (c) to allow a student to take home instructional material used by the student that the district or school denies. The documentation must include the reasons for denying the request. Not later than the 30th day after the date the district or school receives the request, the district or school must report to the agency that the request has been denied.

(e) Not later than September 1 of each year, the agency shall submit an annual report to the legislature that includes the number of parental requests made under Subsection (c) to allow a student to take home instructional material used by the student that each school district and open-enrollment charter school denied and the reasons for the denial.

SECTION ____. Section 26.006, Education Code, as amended by this Act, applies beginning with the 2017-2018 school year.

Floor Amendment No. 1 on Third Reading

Amend **SB 1784** on third reading in the SECTION of the bill amending Section 31.075, Education Code, as follows:

(1) In the recital of that section, strike "(h), and (i)" and substitute "and (h)".

(2) Strike Subsection (h) of that section and renumber subsequent subsections accordingly.

(3) In added Subsection (i) of that section, strike "Subsection (h)" and substitute "this section".

The amendments were read.

Senator Taylor of Galveston submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 1784** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Bettencourt, Taylor of Collin, Uresti, and Campbell.

CONFERENCE COMMITTEE ON HOUSE BILL 1521
(Motion In Writing)

Senator Whitmire called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1521** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1521** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Whitmire, Chair; Hughes, Burton, Birdwell, and Garcia.

CONFERENCE COMMITTEE ON HOUSE BILL 1643
(Motion In Writing)

Senator Seliger called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1643** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 1643** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Seliger, Chair; Hughes, Rodríguez, Hancock, and Perry.

CONFERENCE COMMITTEE ON HOUSE BILL 22
(Motion In Writing)

Senator Taylor of Galveston called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 22** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 22** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Bettencourt, West, Hancock, and Hughes.

CONFERENCE COMMITTEE ON HOUSE BILL 3526
(Motion In Writing)

Senator Taylor of Galveston called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3526** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3526** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Campbell, Lucio, Hall, and Taylor of Collin.

CONFERENCE COMMITTEE ON HOUSE BILL 4345
(Motion In Writing)

Senator Watson called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 4345** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 4345** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Watson, Chair; Buckingham, Campbell, Menéndez, and Seliger.

CONFERENCE COMMITTEE ON HOUSE BILL 2937
(Motion In Writing)

Senator Lucio called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2937** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2937** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Lucio, Chair; Nichols, Seliger, Hinojosa, and Rodríguez.

SENATE BILL 1553 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Menéndez called **SB 1553** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 1553** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the refusal of entry to or ejection from school district property.

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

SECTION 1. Section 37.001(a), Education Code, as amended by Chapters 487 (S.B. 1541) and 1409 (S.B. 1114), Acts of the 83rd Legislature, Regular Session, 2013, is reenacted and amended to read as follows:

(a) The board of trustees of an independent school district shall, with the advice of its district-level committee established under Subchapter F, Chapter 11, adopt a student code of conduct for the district. The student code of conduct must be posted and prominently displayed at each school campus or made available for review at the office of the campus principal. In addition to establishing standards for student conduct, the student code of conduct must:

(1) specify the circumstances, in accordance with this subchapter, under which a student may be removed from a classroom, campus, disciplinary alternative education program, or vehicle owned or operated by the district;

(2) specify conditions that authorize or require a principal or other appropriate administrator to transfer a student to a disciplinary alternative education program;

(3) outline conditions under which a student may be suspended as provided by Section 37.005 or expelled as provided by Section 37.007;

(4) specify that consideration will be given, as a factor in each decision concerning suspension, removal to a disciplinary alternative education program, expulsion, or placement in a juvenile justice alternative education program, regardless of whether the decision concerns a mandatory or discretionary action, to:

(A) self-defense;

(B) intent or lack of intent at the time the student engaged in the conduct;

(C) a student's disciplinary history; or

(D) a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;

(5) provide guidelines for setting the length of a term of:

(A) a removal under Section 37.006; and

(B) an expulsion under Section 37.007;

(6) address the notification of a student's parent or guardian of a violation of the student code of conduct committed by the student that results in suspension, removal to a disciplinary alternative education program, or expulsion;

(7) prohibit bullying, harassment, and making hit lists and ensure that district employees enforce those prohibitions; [~~and~~]

(8) provide, as appropriate for students at each grade level, methods, including options, for:

(A) managing students in the classroom, on school grounds, and on a vehicle owned or operated by the district;

(B) disciplining students; and

(C) preventing and intervening in student discipline problems, including bullying, harassment, and making hit lists; and

(9) include an explanation of the provisions regarding refusal of entry to or ejection from district property under Section 37.105, including the appeal process established under Section 37.105(h).

SECTION 2. Section 37.105, Education Code, is amended to read as follows:

Sec. 37.105. UNAUTHORIZED PERSONS: REFUSAL OF ENTRY, EJECTION, IDENTIFICATION. (a) A school administrator, school resource officer, or school district peace officer [~~The board of trustees~~] of a school district [~~or its~~

~~authorized representative~~] may refuse to allow a person [~~without legitimate business~~] to enter on or [~~property under the board's control and~~] may eject a [~~any undesirable~~] person from [~~the~~] property under the district's control if the person refuses [~~on the person's refusal~~] to leave peaceably on request and:

(1) the person poses a substantial risk of harm to any person; or

(2) the person behaves in a manner that is inappropriate for a school setting and:

(A) the administrator, resource officer, or peace officer issues a verbal warning to the person that the person's behavior is inappropriate and may result in the person's refusal of entry or ejection; and

(B) the person persists in that behavior.

(b) Identification may be required of any person on the property.

(c) Each school district shall maintain a record of each verbal warning issued under Subsection (a)(2)(A), including the name of the person to whom the warning was issued and the date of issuance.

(d) At the time a person is refused entry to or ejected from a school district's property under this section, the district shall provide to the person written information explaining the appeal process established under Subsection (h).

(e) If a parent or guardian of a child enrolled in a school district is refused entry to the district's property under this section, the district shall accommodate the parent or guardian to ensure that the parent or guardian may participate in the child's admission, review, and dismissal committee or in the child's team established under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), in accordance with federal law.

(f) The term of a person's refusal of entry to or ejection from a school district's property under this section may not exceed two years.

(g) A school district shall post on the district's Internet website and each district campus shall post on any Internet website of the campus a notice regarding the provisions of this section, including the appeal process established under Subsection (h).

(h) The commissioner shall adopt rules to implement this section, including rules establishing a process for a person to appeal to the board of trustees of the school district the decision under Subsection (a) to refuse the person's entry to or eject the person from the district's property.

SECTION 3. This Act applies beginning with the 2017-2018 school year.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Floor Amendment No. 1

Amend **CSSB 1553** (house committee report) as follows:

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

SECTION ____. (a) Article 62.053(a), Code of Criminal Procedure, is amended to read as follows:

(a) Before a person who will be subject to registration under this chapter is due to be released from a penal institution, the Texas Department of Criminal Justice or the Texas Juvenile Justice Department shall determine the person's level of risk to the community using the sex offender screening tool developed or selected under Article 62.007 and assign to the person a numeric risk level of one, two, or three. Before releasing the person, an official of the penal institution shall:

(1) inform the person that:

(A) not later than the later of the seventh day after the date on which the person is released or after the date on which the person moves from a previous residence to a new residence in this state or not later than the first date the applicable local law enforcement authority by policy allows the person to register or verify registration, the person must register or verify registration with the local law enforcement authority in the municipality or county in which the person intends to reside;

(B) not later than the seventh day after the date on which the person is released or the date on which the person moves from a previous residence to a new residence in this state, the person must, if the person has not moved to an intended residence, report to the applicable entity or entities as required by Article 62.051(h) or (j) or 62.055(e);

(C) not later than the seventh day before the date on which the person moves to a new residence in this state or another state, the person must report in person to the local law enforcement authority designated as the person's primary registration authority by the department and to the juvenile probation officer, community supervision and corrections department officer, or parole officer supervising the person;

(D) not later than the 10th day after the date on which the person arrives in another state in which the person intends to reside, the person must register with the law enforcement agency that is identified by the department as the agency designated by that state to receive registration information, if the other state has a registration requirement for sex offenders;

(E) not later than the 30th day after the date on which the person is released, the person must apply to the department in person for the issuance of an original or renewal driver's license or personal identification certificate and a failure to apply to the department as required by this paragraph results in the automatic revocation of any driver's license or personal identification certificate issued by the department to the person;

(F) the person must notify appropriate entities of any change in status as described by Article 62.057; [~~and~~]

(G) certain types of employment are prohibited under Article 62.063 for a person with a reportable conviction or adjudication for a sexually violent offense involving a victim younger than 14 years of age occurring on or after September 1, 2013; and

(H) if the person enters or goes within 25 feet of the premises of a school as described by Article 62.064 and is subject to the requirements of that article, the person must immediately notify the administrative office of the school of the person's presence and the person's registration status under this chapter;

(2) require the person to sign a written statement that the person was informed of the person's duties as described by Subdivision (1) or Subsection (g) or, if the person refuses to sign the statement, certify that the person was so informed;

(3) obtain the address or, if applicable, a detailed description of each geographical location where the person expects to reside on the person's release and other registration information, including a photograph and complete set of fingerprints; and

(4) complete the registration form for the person.

(b) Article 62.058, Code of Criminal Procedure, is amended by adding Subsection (g) to read as follows:

(g) A local law enforcement authority who provides a person with a registration form for verification as required by this chapter shall include with the form a statement and, if applicable, a description of the person's duty to provide notice under Article 62.064.

(c) Subchapter B, Chapter 62, Code of Criminal Procedure, is amended by adding Article 62.064 to read as follows:

Art. 62.064. ENTRY ONTO OR PRESENCE NEAR SCHOOL PREMISES; NOTICE REQUIRED. (a) In this article:

(1) "Premises" means a building or portion of a building and the grounds on which the building is located, including any public or private driveway, street, sidewalk or walkway, parking lot, or parking garage on the grounds.

(2) "School" has the meaning assigned by Section 481.134, Health and Safety Code.

(b) A person subject to registration under this chapter who enters the premises of any school in this state or goes within 25 feet of the premises of a school in this state during the standard operating hours of the school shall immediately notify the administrative office of the school of the person's presence on the premises of the school and the person's registration status under this chapter. The office may provide a chaperon to accompany the person while the person is on the premises of the school.

(c) The requirements of this article:

(1) are in addition to any requirement associated with the imposition of a child safety zone on the person under Section 508.187, Government Code, or Article 42A.453 of this code; and

(2) do not apply to:

(A) a student enrolled at the school; or

(B) a student from another school participating at an event at the school.

(d) The change in law made by this section applies to a person subject to registration under Chapter 62, Code of Criminal Procedure, for an offense committed or conduct that occurs before, on, or after the effective date of this section.

(e) This section takes effect September 1, 2017.

(2) On page 5, line 9, strike "This" and substitute "Except as otherwise provided by this Act, this".

The amendments were read.

Senator Menéndez submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 1553** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Menéndez, Chair; Taylor of Galveston, Hughes, West, and Uresti.

CONFERENCE COMMITTEE ON HOUSE BILL 515
(Motion In Writing)

Senator Taylor of Galveston called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 515** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 515** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Taylor of Collin, Uresti, Bettencourt, and Nelson.

CONFERENCE COMMITTEE ON HOUSE BILL 2442
(Motion In Writing)

Senator Taylor of Galveston called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2442** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2442** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Huffines, Bettencourt, West, and Campbell.

CONFERENCE COMMITTEE ON HOUSE BILL 3270
(Motion In Writing)

Senator Taylor of Galveston called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3270** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3270** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Hughes, West, Taylor of Collin, and Hall.

CONFERENCE COMMITTEE ON HOUSE BILL 2377
(Motion In Writing)

Senator Perry called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2377** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2377** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Perry, Chair; Estes, Kolkhorst, Hall, and Hinojosa.

CONFERENCE COMMITTEE ON HOUSE BILL 2691
(Motion In Writing)

Senator Huffman called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2691** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2691** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Huffman, Chair; Nelson, Hughes, Schwertner, and Zaffirini.

CONFERENCE COMMITTEE ON HOUSE BILL 501
(Motion In Writing)

Senator Taylor of Collin called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 501** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 501** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Collin, Chair; Birdwell, Hughes, Bettencourt, and Lucio.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 533

Senator Nelson submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 533** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

NELSON	GEREN
HINOJOSA	HOWARD
HUFFMAN	LONGORIA
NICHOLS	PRICE
SCHWERTNER	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to state agency contracting and procurement.

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

SECTION 1. Section 572.069, Government Code, is amended to read as follows:

Sec. 572.069. CERTAIN EMPLOYMENT FOR FORMER STATE OFFICER OR EMPLOYEE RESTRICTED. A former state officer or employee of a state agency who during the period of state service or employment participated on behalf of a state agency in a procurement or contract negotiation involving a person may not accept employment from that person before the second anniversary of the date the contract is signed or the procurement is terminated or withdrawn [~~officer's or employee's service or employment with the state agency ceased~~].

SECTION 2. Section 2054.1181(a), Government Code, is amended to read as follows:

(a) At the direction of the governor, lieutenant governor, or speaker of the house of representatives [~~The quality assurance team, in coordination with the governor, may recommend major information resources projects to the department for oversight. As part of this oversight~~], the department shall provide additional oversight services for major information resources projects, including risk management, quality assurance services, independent project monitoring, and project management. A state agency with a project selected for oversight shall pay for oversight by the department and quality assurance team based on a funding model developed by the department. The department may contract with a vendor to provide the necessary oversight at the department's direction.

SECTION 3. Section 2054.158, Government Code, is amended to read as follows:

Sec. 2054.158. QUALITY ASSURANCE TEAM; DUTIES. (a) The comptroller, state auditor, Legislative Budget Board, and department shall:

(1) create a quality assurance team to perform the duties specified in this chapter and other law; [~~and~~]

(2) specify in writing the responsibilities of the comptroller, state auditor, Legislative Budget Board, and department in performing the duties; and

(3) create an automated project review system.

(b) The quality assurance team shall:

(1) develop and recommend policies and procedures to improve state agency information resources technology projects; [~~and~~]

(2) develop and recommend procedures to improve the implementation of state agency information resources technology projects by including considerations for best value and return on investment; and

(3) provide annual training for state agency procurement and contract management staff on best practices and methodologies for information technology contracts.

(c) The state auditor serves on the quality assurance team as an advisor.

SECTION 4. Section 2054.303(a), Government Code, is amended to read as follows:

(a) For each proposed major information resources project or major contract, a state agency must prepare:

(1) a business case providing the initial justification for the project or contract, including the anticipated return on investment in terms of cost savings and efficiency for the project or contract; [~~and~~]

(2) a statewide impact analysis of the project's or contract's effect on the state's common information resources infrastructure, including the possibility of reusing code or other resources; and

(3) in consultation with the department, a technical architectural assessment of the project or contract.

SECTION 5. Section 2054.304, Government Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) In each project plan for a major information resources project, the state agency shall consider incorporating into the project the applicable best practices recommended in the quality assurance team's annual report.

(e) A state agency contract for a major information resources project must comply with the requirements in the comptroller's contract management guide developed under Section 2262.051.

SECTION 6. Subchapter B, Chapter 2155, Government Code, is amended by adding Sections 2155.090 and 2155.091 to read as follows:

Sec. 2155.090. VENDOR AND EMPLOYEE INTERACTION AND COMMUNICATION POLICY. (a) The comptroller shall update a contract management guide to include policies on the interactions and communication between employees of the state agency and a vendor that contracts with the state agency or seeks to conduct business with the state agency.

(b) This subtitle does not prohibit the exchange of information between a state agency and a vendor related to future solicitations or as necessary to monitor an existing contract.

Sec. 2155.091. CHIEF PROCUREMENT OFFICER: POWERS AND DUTIES. (a) The comptroller shall employ a chief procurement officer to serve as the chief procurement officer for this state.

(b) The chief procurement officer has authority over state agency procurement, including the authority to:

(1) analyze state purchasing data to leverage state purchasing power;

(2) provide functional support to state agencies;

(3) provide training on state purchasing and contract management;

(4) review major contract solicitations for information technology projects monitored by the quality assurance team under Section 2054.158;

(5) review solicitations for major contracts reviewed by the Contract Advisory Team under Section 2262.101;

(6) delegate to a state agency authority to contract for the purchase of a good or service valued in an amount specified by comptroller rule; and

(7) provide leadership on procurement issues.

(c) A state agency shall comply with any request for information from the chief procurement officer necessary to conduct the analysis authorized by Subsection (b)(1).

(d) The chief procurement officer shall coordinate with the Department of Information Resources and the quality assurance team to conduct a contract solicitation review required by Subsection (a)(4) and make appropriate recommendations to the comptroller and legislature based on the review. This section grants the chief procurement officer authority only to review a contract solicitation. The Department of Information Resources or the appropriate state agency retains the authority to award a statewide information resources contract as authorized by law.

(e) The chief procurement officer shall coordinate with the Contract Advisory Team to conduct the review required by Section 2262.101. A state agency shall comply with any request for information by the chief procurement officer that is necessary to conduct the review.

SECTION 7. Subchapter D, Chapter 2155, Government Code, is amended by adding Section 2155.205 to read as follows:

Sec. 2155.205. INTERSTATE PURCHASING. (a) Subject to Section 2156.181 or other law, the comptroller may enter into agreements to authorize state agencies and political subdivisions of other states to purchase goods or services through comptroller contracts.

(b) The comptroller may charge a reasonable administrative fee to state agencies and political subdivisions of other states that purchase a good or service under this section.

SECTION 8. Sections 2157.068(e-1) and (e-2), Government Code, are amended to read as follows:

(e-1) A state agency contracting to purchase a commodity item shall use the list maintained as required by Subsection (e) as follows:

(1) for a contract with a value of $50,000 or less, the agency may directly award the contract to a vendor included on the list without submission of a request for pricing to other vendors on the list;

(2) for a contract with a value of more than $50,000 but not more than $1 million [~~$150,000~~], the agency must submit a request for pricing to at least three vendors included on the list in the category to which the contract relates; and

(3) for a contract with a value of more than $1 million [~~$150,000~~] but not more than $5 [~~$1~~] million, the agency must submit a request for pricing to at least six vendors included on the list in the category to which the contract relates or all vendors on the schedule if the category has fewer than six vendors.

(e-2) A state agency may not enter into a contract to purchase a commodity item if the value of the contract exceeds $5 [~~$1~~] million.

SECTION 9. Section 2261.252, Government Code, is amended by adding Subsections (a-1), (e), and (f) to read as follows:

(a-1) A state agency employee or official is required to disclose under Subsection (a) any potential conflict of interest specified by state law or agency policy that is known by the employee or official at any time during:

(1) the procurement process, from the initial request for bids for the purchase of goods or services from a private vendor until the completed final delivery of the goods or services; or

(2) the term of a contract with a private vendor.

(e) This section applies only to a contract for the purchase of goods or services solicited through a purchase order if the amount of the purchase order exceeds $25,000.

(f) Section 51.923, Education Code, governs the conflicts of interest of the members of the governing board of an institution of higher education, as those terms are defined by Section 61.003, Education Code, and this section does not apply to those members.

SECTION 10. Section 2261.253, Government Code, is amended by adding Subsections (e), (f), (g), and (h) to read as follows:

(e) A state agency that posts a contract on its Internet website as required under this section shall redact from the posted contract:

(1) information that is confidential under law;

(2) information the attorney general determines is excepted from public disclosure under Chapter 552; and

(3) the social security number of any individual.

(f) The redaction of information under Subsection (e) does not exempt the information from the requirements of Section 552.021 or 552.221.

(g) Subsection (a) does not apply to:

(1) a contract posted on the major contracts database established under Section 322.020; or

(2) a contract of an institution of higher education that is valued at less than $15,000 and paid with money other than funds appropriated to the institution by this state.

(h) In this section, "institution of higher education" has the meaning assigned by Section 61.003, Education Code, except that the term does not include a public junior college.

SECTION 11. Section 2262.101(a), Government Code, is amended to read as follows:

(a) The Contract Advisory Team is created to assist state agencies in improving contract management practices by:

(1) reviewing and making recommendations on the solicitation documents and contract documents for contracts of state agencies that have a value of at least $5 [~~$10~~] million;

(2) reviewing any findings or recommendations made by the state auditor, including those made under Section 2262.052(b), regarding a state agency's compliance with the contract management guide;

(3) providing recommendations to the comptroller regarding:

(A) the development of the contract management guide; and

(B) the training under Section 2262.053;

(4) providing recommendations and assistance to state agency personnel throughout the contract management process;

(5) coordinating and consulting with the quality assurance team established under Section 2054.158 on all contracts relating to a major information resources project;

(6) developing and recommending policies and procedures to improve state agency contract management practices;

(7) developing and recommending procedures to improve state agency contracting practices by including consideration for best value; and

(8) creating and periodically performing a risk assessment to determine the appropriate level of management and oversight of contracts by state agencies.

SECTION 12. Section 2262.102, Government Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) The chief procurement officer described by Section 2155.091 may add members to the team by designating members from state agencies that agree to participate on the team. A state agency may decline a request to participate on the team under this subsection by submitting a written statement declining the request to the chief procurement officer.

SECTION 13. Section 2269.056(b), Government Code, is amended to read as follows:

(b) The governmental entity shall base its selection among offerors on applicable criteria listed for the particular method used. The governmental entity shall publish in the request for proposals or qualifications:

(1) the criteria that will be used to evaluate the offerors;

(2) [~~, and~~] the applicable weighted value for each criterion; and

(3) for state agencies, a detailed methodology for scoring each criterion.

SECTION 14. Section 2269.361(a), Government Code, is amended to read as follows:

(a) A governmental entity shall request proposals from design-build firms identified under Section 2269.359(c). A response to a request for detailed proposals must be submitted on or before the earlier of the time for submission requested by the governmental entity or [~~firm must submit a proposal not later than~~] the 180th day after the date the governmental entity makes a public request for the proposals from the selected firms. The request for proposals must include:

(1) a design criteria package;

(2) if the project site is identified, a geotechnical baseline report or other information that provides the design-build firm minimum geotechnical design parameters to submit a proposal;

(3) detailed instructions for preparing the technical proposal and the items to be included, including a description of the form and level of completeness of drawings expected; and

(4) the relative weighting of the technical and price proposals and the formula by which the proposals will be evaluated and ranked.

SECTION 15. Subchapter A, Chapter 8, Education Code, is amended by adding Section 8.012 to read as follows:

Sec. 8.012. CONTRACT MANAGEMENT GUIDE. The agency shall comply with the comptroller's contract management guide developed under Section 2262.051, Government Code, in each contract between the agency and a regional education service center established under this chapter.

SECTION 16. Section 51.923(e), Education Code, is amended to read as follows:

(e) For purposes of this section, a member of a governing board has a substantial interest in a business entity if:

(1) the member owns one [~~10~~] percent or more of the voting stock or shares of the business entity or owns either one [~~10~~] percent or more or $15,000 or more of the fair market value of the business entity;

(2) funds received by the member from the business entity exceed one [~~10~~] percent of the member's gross income for the previous year;

(3) the member is an officer of the business entity or a member of the governing board of the business entity; or

(4) an individual related to the member in the first degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has an interest in the business entity as described by Subdivision (1), (2), or (3).

SECTION 17. (a) Not later than January 1, 2018, the comptroller shall:

(1) employ a chief procurement officer as required by Section 2155.091, Government Code, as added by this Act; and

(2) adopt any rules necessary to implement the changes in law made by this Act.

(b) Not later than January 1, 2018, each state agency shall adopt a vendor and employee interaction and communication policy as required by Section 2155.090, Government Code, as added by this Act.

(c) The changes in law made by this Act apply only in relation to a contract for which a state agency first advertises or otherwise solicits bids, proposals, offers, or qualifications on or after the effective date of this Act.

(d) Notwithstanding the other provisions of this Act, Section 2269.361(a), Government Code, as amended by this Act, applies to a contract entered into on or after the effective date of this Act and for which a bid or other solicitation response was submitted after June 21, 2017.

(e) Notwithstanding the other provisions of this Act, Section 51.923, Education Code, as amended by this Act, applies only to a contract or other transaction entered into on or after the effective date of this Act. A contract or other transaction entered into before the effective date of this Act is governed by the law in effect on the date on which the contract or other transaction was entered into, and the former law is continued in effect for that purpose.

SECTION 18. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 533** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 813

Senator Hughes submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 813** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HUGHES	MEYER
WATSON	CLARDY
LUCIO	PHELAN
BETTENCOURT	HEFNER
PERRY	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to recovery of damages, attorney's fees, and costs related to frivolous regulatory actions by state agencies.

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

SECTION 1. The heading to Chapter 105, Civil Practice and Remedies Code, is amended to read as follows:

CHAPTER 105. FRIVOLOUS CLAIM OR REGULATORY ACTION BY STATE AGENCY

SECTION 2. The heading to Section 105.002, Civil Practice and Remedies Code, is amended to read as follows:

Sec. 105.002. RECOVERY OF FEES, EXPENSES, AND ATTORNEY'S FEES FOR FRIVOLOUS CLAIM.

SECTION 3. Chapter 105, Civil Practice and Remedies Code, is amended by adding Sections 105.005 and 105.006 to read as follows:

Sec. 105.005. CAUSE OF ACTION FOR FRIVOLOUS REGULATORY ACTION. (a) A claimant may bring an action against a state agency if the state agency takes a regulatory action against the claimant that is frivolous, unreasonable, or without foundation.

(b) A claimant may bring an action under this section only after the claimant has exhausted the claimant's administrative remedies with respect to the regulatory action against the claimant.

(c) In an action brought under this section, a claimant may recover, in addition to all other costs allowed by law or rule, the damages caused by the state agency's frivolous regulatory action, reasonable attorney's fees, and court costs.

Sec. 105.006. RECOVERY OF ATTORNEY'S FEES AND COSTS IN FRIVOLOUS REGULATORY ACTION. A person may recover, in addition to all other costs allowed by law or rule, reasonable attorney's fees and costs incurred in defending against a frivolous regulatory action during an administrative proceeding and judicial review of that proceeding if:

(1) the person prevails in the judicial review of an administrative proceeding; and

(2) the state agency is unable to demonstrate that the agency has good cause for the regulatory action.

SECTION 4. The change in law made by this Act applies only to a regulatory action taken on or after the effective date of this Act. A regulatory action taken before the effective date of this Act is governed by the law applicable to the regulatory action immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 5. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 813** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1172

Senator Perry submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1172** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

PERRY	GEREN
KOLKHORST	T. KING
CREIGHTON	HEFNER
ESTES	ELKINS
HINOJOSA	GOLDMAN
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the regulation of certain items and activities by a political subdivision.

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

SECTION 1. Chapter 61, Agriculture Code, is amended by adding Sections 61.019 and 61.020 to read as follows:

Sec. 61.019. LOCAL REGULATION OF SEED PROHIBITED. (a) Notwithstanding any other law and except as provided by Subsection (c), a political subdivision may not adopt an order, ordinance, or other measure that regulates agricultural seed, vegetable seed, weed seed, or any other seed in any manner, including planting seed or cultivating plants grown from seed.

(b) An order, ordinance, or other measure adopted by a political subdivision that violates Subsection (a) is void.

(c) A political subdivision may take any action otherwise prohibited by this section to:

(1) comply with any federal or state requirements;

(2) avoid a federal or state penalty or fine;

(3) attain or maintain compliance with federal or state environmental standards, including state water quality standards; or

(4) implement a:

(A) water conservation plan;

(B) drought contingency plan; or

(C) voluntary program as part of a conservation water management strategy included in the applicable regional water plan or state water plan.

(d) Nothing in this section preempts or otherwise limits the authority of any county or municipality to adopt and enforce zoning regulations, fire codes, building codes, storm water regulations, nuisance regulations as authorized by Section 342.004, Health and Safety Code, or waste disposal restrictions.

Sec. 61.020. JUDICIAL RELIEF. (a) A person may bring a suit to enjoin the enforcement of an order, ordinance, or other measure adopted by a political subdivision if:

(1) the person is required to obtain a license, permit, or registration issued by the state to conduct the person's business; and

(2) the order, ordinance, or other measure establishes requirements for, imposes restrictions on, or otherwise regulates the business activity of the person in a manner that is more stringent than the state law that governs the person's business.

(b) A suit brought under this section must be brought in a district court:

(1) for a judicial district in which any portion of the territory of the political subdivision that adopted the local regulation is located; or

(2) in Travis County.

(c) In a suit brought under this section, the political subdivision has the burden of establishing by clear and convincing evidence that the order, ordinance, or other measure the political subdivision seeks to enforce does not conflict with state law.

SECTION 2. Section 61.019(b), Agriculture Code, as added by this Act, applies to an order, ordinance, or other measure adopted before, on, or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1172** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 30

Senator West submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 30** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WEST
BIRDWELL

S. THOMPSON
NEVÁREZ

HUGHES	P. KING
PERRY	COLEMAN
WHITMIRE	WHITE
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to inclusion of instruction regarding interaction with peace officers in the required curriculum for certain public school students and in driver education courses and to civilian interaction training for peace officers.

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

SECTION 1. This Act may be cited as the Community Safety Education Act.

SECTION 2. Subchapter A, Chapter 28, Education Code, is amended by adding Section 28.012 to read as follows:

Sec. 28.012. INSTRUCTION ON INTERACTION WITH LAW ENFORCEMENT. (a) In this section:

(1) "Board" means the State Board of Education.

(2) "Commission" means the Texas Commission on Law Enforcement.

(3) "Driver training school" has the meaning assigned by Section 1001.001.

(b) The board and the commission shall enter into a memorandum of understanding that establishes each agency's respective responsibilities in developing instruction, including curriculum and instructional modules, on proper interaction with peace officers during traffic stops and other in-person encounters. The instruction must include information regarding:

(1) the role of law enforcement and the duties and responsibilities of peace officers;

(2) a person's rights concerning interactions with peace officers;

(3) proper behavior for civilians and peace officers during interactions;

(4) laws regarding questioning and detention by peace officers, including any law requiring a person to present proof of identity to a peace officer, and the consequences for a person's or officer's failure to comply with those laws; and

(5) how and where to file a complaint against or a compliment on behalf of a peace officer.

(c) In developing the instruction under this section, the board and the commission may consult with any interested party, including a volunteer work group convened for the purpose of making recommendations regarding the instruction.

(d) Before finalizing any instruction under this section, the board and the commission shall provide a reasonable period for public comment.

(e) Subject to rules adopted by the board, a school district or open-enrollment charter school may tailor the instruction developed under this section as appropriate for the district's or school's community. In tailoring the instruction, the district or school shall solicit input from local law enforcement agencies, driver training schools, and the community.

SECTION 3. Section 28.025, Education Code, is amended by adding Subsection (b-20) to read as follows:

(b-20) The State Board of Education shall adopt rules to include the instruction developed under Section 28.012 in one or more courses in the required curriculum for students in grade levels 9 through 12.

SECTION 4. Subchapter C, Chapter 1001, Education Code, is amended by adding Section 1001.109 to read as follows:

Sec. 1001.109. INFORMATION RELATING TO TRAFFIC STOPS. (a) The commission by rule shall require that information relating to law enforcement procedures for traffic stops be included in the curriculum of each driver education course and driving safety course. The curriculum must include:

(1) a demonstration of the proper actions to be taken during a traffic stop; and

(2) information regarding:

(A) the role of law enforcement and the duties and responsibilities of peace officers;

(B) a person's rights concerning interactions with peace officers;

(C) proper behavior for civilians and peace officers during interactions;

(D) laws regarding questioning and detention by peace officers, including any law requiring a person to present proof of identity to a peace officer, and the consequences for a person's or officer's failure to comply with those laws; and

(E) how and where to file a complaint against or a compliment on behalf of a peace officer.

(b) In developing the curriculum under this section, the commission may consult with any interested party, including a volunteer work group convened for the purpose of making recommendations regarding the curriculum.

SECTION 5. Section 1701.253, Occupations Code, is amended by adding Subsection (n) to read as follows:

(n) As part of the minimum curriculum requirements, the commission shall require an officer to complete the civilian interaction training program developed under Section 1701.268. An officer shall complete the program not later than the second anniversary of the date the officer is licensed under this chapter unless the officer completes the program as part of the officer's basic training course.

SECTION 6. Subchapter F, Chapter 1701, Occupations Code, is amended by adding Section 1701.268 to read as follows:

Sec. 1701.268. CIVILIAN INTERACTION TRAINING PROGRAM. (a) In this section, "board" means the State Board of Education.

(b) The commission and the board shall enter into a memorandum of understanding that establishes each agency's respective responsibilities in developing a training program, including training and testing materials, on proper interaction with civilians during traffic stops and other in-person encounters. The training program must include information regarding:

(1) the role of law enforcement and the duties and responsibilities of peace officers;

(2) a person's rights concerning interactions with peace officers;

(3) proper behavior for civilians and peace officers during interactions;

(4) laws regarding questioning and detention by peace officers, including any law requiring a person to present proof of identity to a peace officer, and the consequences for a person's or officer's failure to comply with those laws; and

(5) how and where to file a complaint against or a compliment on behalf of a peace officer.

(c) In developing the training program under this section, the commission and the board may consult with any interested party, including a volunteer work group convened for the purpose of making recommendations regarding the training program.

(d) Before finalizing a training program under this section, the commission and the board shall provide a reasonable period for public comment.

SECTION 7. (a) Not later than September 1, 2018:

(1) the State Board of Education and the Texas Commission on Law Enforcement shall develop:

(A) the instruction required under Section 28.012, Education Code, as added by this Act; and

(B) the training program required under Section 1701.268, Occupations Code, as added by this Act; and

(2) the Texas Commission of Licensing and Regulation shall adopt rules regarding the curriculum required under Section 1001.109, Education Code, as added by this Act.

(b) Section 28.025(b-20), Education Code, as added by this Act, applies beginning with the 2018-2019 school year.

(c) A peace officer or reserve law enforcement officer who holds a license under Chapter 1701, Occupations Code, issued on or before January 1, 2018, shall complete a training program established under Section 1701.268, Occupations Code, as added by this Act, not later than January 1, 2020.

SECTION 8. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 30** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1831

Senator Buckingham submitted the following Conference Committee Report:

Austin, Texas
May 25, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1831** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BUCKINGHAM	CAPRIGLIONE
BIRDWELL	COLLIER
NELSON	COSPER
SCHWERTNER	GOLDMAN
WATSON	ROBERTS
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to an annual report on state programs not funded by appropriations.

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

SECTION 1. Subchapter B, Chapter 403, Government Code, is amended by adding Section 403.0147 to read as follows:

Sec. 403.0147. REPORT ON STATE PROGRAMS NOT FUNDED BY APPROPRIATIONS. (a) In this section, "state agency" means an agency, department, board, commission, or other entity in the executive, legislative, or judicial branch of state government.

(b) Not later than December 31 of each year, the comptroller shall submit a report to the legislature that identifies for each state agency:

(1) each program the state agency is statutorily required to implement for which no appropriation was made for the preceding state fiscal year, along with a citation to the law imposing the requirement; and

(2) the amount and source of money the state agency spent, if any, to implement any portion of the program described by Subdivision (1) during the preceding state fiscal year.

(c) A state agency shall provide to the comptroller not later than September 30 of each year information necessary for the comptroller to prepare the report required by this section. The comptroller may prescribe the form and content of the information a state agency must provide.

SECTION 2. The comptroller of public accounts shall submit the initial report required by Section 403.0147, Government Code, as added by this Act, not later than December 31, 2017.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1831** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2950

Senator Hinojosa submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2950** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HINOJOSA	BURKETT
NICHOLS	KLICK
SCHWERTNER	OLIVERSON
TAYLOR OF COLLIN	RAYMOND
WATSON	S. THOMPSON
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2950** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 302

Senator Watson submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 302** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WATSON	S. THOMPSON
TAYLOR OF COLLIN	GONZALES
NICHOLS	RAYMOND
SCHWERTNER	SMITHEE
HUGHES	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the continuation and functions of the state bar.

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

SECTION 1. Section 81.003, Government Code, is amended to read as follows:

Sec. 81.003. SUNSET PROVISION. The state bar is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, this chapter expires September 1, 2029 [~~2017~~].

SECTION 2. Section 81.0201, Government Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The training program must provide the person with information regarding:

(1) the law governing [~~legislation that created the~~] state bar operations [~~and the board~~];

(2) the programs operated by the state bar;

(3) the role and functions of the state bar;

(4) the rules of the state bar, with an emphasis on the rules that relate to disciplinary and investigatory authority;

(4-a) the scope of and limitations on the rulemaking authority of the state bar;

(5) the current budget for the state bar;

(6) the results of the most recent formal audit of the state bar;

(7) the requirements of:

(A) laws relating to [~~the~~] open meetings [~~law~~], [~~Chapter 551;~~

[~~(B) the~~] public information [~~law~~], administrative procedure, and the disclosure of conflicts of interest [~~Chapter 552~~]; and

(B) [~~(C)~~] other laws applicable to members of a state policymaking body in performing their duties [~~relating to public officials, including conflict of interest laws~~]; and

(8) any applicable ethics policies adopted by the state bar or the Texas Ethics Commission.

(c) The executive director shall create a training manual that includes the information required by Subsection (b). The executive director shall distribute a copy of the training manual annually to each member of the board of directors. On receipt of the training manual, each member of the board shall sign and submit to the executive director a statement acknowledging receipt of the training manual.

SECTION 3. Section 81.022, Government Code, is amended by adding Subsections (a-2), (a-3), and (a-4) to read as follows:

(a-2) Any change in a membership fee or other fee for state bar members must be:

(1) clearly described and included in the proposed budget; and

(2) considered by the supreme court in the state bar budget deliberations.

(a-3) Except as provided by Subsection (a-4), an increase in a membership fee or other fee for state bar members may not take effect until the supreme court:

(1) distributes the proposed fee change in ballot form to each member of the state bar and orders a vote;

(2) counts the returned ballots following the 30th day after the date the ballots are distributed; and

(3) promulgates the proposed fee, effective immediately, only on approval of the fee increase by a majority of the state bar members who voted on the increase.

(a-4) An increase in the fee for membership in the state bar may be made by the board of directors, without a vote of the members of the state bar, provided that not more than one increase may be made by the board of directors in a six-year period and such increase shall not exceed 10 percent.

SECTION 4. Sections 81.024(a) and (b), Government Code, are amended to read as follows:

(a) The supreme court shall promulgate the rules governing the state bar. [~~The rules may be amended as provided by this section.~~]

(b) The supreme court may:

(1) [~~, either~~] as it considers necessary, pursuant to a resolution of the board of directors of the state bar, or pursuant to a petition signed by at least 10 percent of the registered members of the state bar, prepare, propose, and adopt rules or amendments to rules for the operation, maintenance, and administration [~~conduct~~] of the state bar; and

(2) in accordance with Subchapter E-1, adopt rules, including the Texas Disciplinary Rules of Professional Conduct and the Texas Rules of Disciplinary Procedure, for the discipline of state bar [~~its~~] members.

SECTION 5. Section 81.054(a), Government Code, is amended to read as follows:

(a) The supreme court shall set membership fees and other fees for members of the state bar during the court's annual budget process under Section 81.022. The fees, except as provided by Subsection (j) and those set for associate members, must be set in accordance with this section and Section 81.022 [~~81.024~~].

SECTION 6. Subchapter D, Chapter 81, Government Code, is amended by adding Section 81.062 to read as follows:

Sec. 81.062. STATE BAR ADMISSION AND RELIGIOUS BELIEF. In establishing the rules governing the admission to the practice of law under Section 81.061, the supreme court shall ensure that no rule violates Chapter 110, Civil Practice and Remedies Code.

SECTION 7. Section 81.072, Government Code, is amended by adding Subsection (b-3) and amending Subsection (e) to read as follows:

(b-3) In establishing minimum standards and procedures for the attorney disciplinary and disability system under Subsection (b), the supreme court must ensure that an attorney has an opportunity to respond to all allegations of alleged misconduct.

(e) The state bar shall establish a voluntary mediation and dispute resolution procedure to:

(1) attempt to resolve each minor grievance referred to the voluntary mediation and dispute resolution procedure by the chief disciplinary counsel [~~allegation of attorney misconduct that is:~~

[~~(A) classified as an inquiry under Section 81.073(a)(2)(A) because it does not constitute an offense cognizable under the Texas Disciplinary Rules of Professional Conduct; or~~

[~~(B) classified as a complaint and subsequently dismissed~~]; and

(2) facilitate coordination with other programs administered by the state bar to address and attempt to resolve inquiries and complaints referred to the voluntary mediation and dispute resolution procedure.

SECTION 8. Section 81.076, Government Code, is amended by amending Subsection (h) and adding Subsection (i) to read as follows:

(h) The commission shall report to the board of directors, the supreme court, and the legislature, at least annually, concerning the state of the attorney discipline system and make recommendations concerning the refinement and improvement of the system. The commission's report must provide data by race and gender and include:

(1) the number and final disposition of grievances filed, dismissed, and investigated under and the disciplinary decisions issued under the Texas Disciplinary Rules of Professional Conduct relating to barratry, including the improper solicitation of clients;

(2) the chief disciplinary counsel's cooperation with local, state, or federal agencies in the investigation or prosecution of civil actions or criminal offenses related to barratry, including the number of grievances the chief disciplinary counsel referred to or received from a law enforcement agency;

(3) barriers to the investigation and prosecution of barratry-related criminal offenses or civil actions under existing criminal and civil laws or to enforcement under the Texas Disciplinary Rules of Professional Conduct; and

(4) recommendations for improving the attorney discipline system, the Texas Disciplinary Rules of Professional Conduct, or other state laws relating to barratry or improper solicitation of clients.

(i) The commission shall prepare a summary of the information included in the report under Subsection (h) and make information available to the public regarding barratry-related grievances, including the final disposition of the grievances, to the extent allowable under, and consistent with, confidentiality laws and rules.

SECTION 9. Subchapter E, Chapter 81, Government Code, is amended by adding Sections 81.080, 81.081, 81.082, 81.083, 81.084, 81.085, and 81.086 to read as follows:

Sec. 81.080. ISSUANCE OF SUBPOENA; OBJECTION. (a) On approval of the presiding officer of the appropriate district grievance committee, the chief disciplinary counsel may, during an investigation of a grievance, issue a subpoena that relates directly to a specific allegation of attorney misconduct.

(b) The chief disciplinary counsel shall provide a process for a respondent to object to a subpoena issued under this section.

Sec. 81.081. ATTORNEY SELF-REPORTING. The chief disciplinary counsel shall develop guidelines and a procedure for an attorney to self-report:

(1) any criminal offense committed by the attorney; and

(2) any disciplinary action taken by another state's bar against the attorney.

Sec. 81.082. PROCESS TO IDENTIFY COMPLAINTS SUITABLE FOR SETTLEMENT OR INVESTIGATORY HEARING. (a) The chief disciplinary counsel shall develop a process to identify a complaint that is appropriate for a settlement attempt or an investigatory hearing before a trial is requested or the complaint is placed on a hearing docket.

(b) The chief disciplinary counsel may authorize a settlement at any time during the disciplinary process.

Sec. 81.083. SANCTION GUIDELINES. (a) The chief disciplinary counsel shall propose and the supreme court shall adopt by rule sanction guidelines to:

(1) associate a specific rule violation or ethical misconduct with a range of appropriate sanctions;

(2) provide aggravating and mitigating factors that justify deviating from the established sanctions; and

(3) provide consistency between complaints heard by a district grievance committee and complaints heard by a district court.

(b) The chief disciplinary counsel shall ensure that interested parties are provided an opportunity to comment on the proposed sanction guidelines.

(c) The sanction guidelines adopted under this section do not limit the authority of a district grievance committee or of a district judge to make a finding or issue a decision.

Sec. 81.084. GRIEVANCE TRACKING SYSTEM. (a) The chief disciplinary counsel shall create and maintain a grievance tracking system for grievances filed and disciplinary decisions issued under this subchapter.

(b) The grievance tracking system must:

(1) associate each rule violation or instance of ethical misconduct with the sanction imposed or final action taken for the violation or misconduct in a diversionary procedure adopted under state bar rules;

(2) address whether a sanction decision aligns with the sanction guidelines adopted under Section 81.083;

(3) specify the district grievance committee or district judge that imposed the sanction to evaluate sanction patterns within the disciplinary districts and facilitate training for district grievance committee members; and

(4) include sufficient information to evaluate and track disciplinary trends over time.

(c) The chief disciplinary counsel shall:

(1) periodically evaluate and report information gathered in the grievance tracking system to the commission and district grievance committee members; and

(2) post the information reported under Subdivision (1) on the state bar's Internet website.

Sec. 81.085. REGULAR SEARCH OF NATIONAL LAWYER REGULATORY DATA BANK. The chief disciplinary counsel shall establish a process to regularly search the National Lawyer Regulatory Data Bank maintained by the American Bar Association to identify a member of the state bar who is disciplined in another state.

Sec. 81.086. TELECONFERENCE. The chief disciplinary counsel may hold investigatory and disciplinary hearings by teleconference.

SECTION 10. Chapter 81, Government Code, is amended by adding Subchapters E-1 and E-2 to read as follows:

SUBCHAPTER E-1. COMMITTEE ON DISCIPLINARY RULES AND REFERENDA; DISCIPLINARY RULE PROPOSAL PROCESS

Sec. 81.0871. DEFINITION. In this subchapter, "committee" means the Committee on Disciplinary Rules and Referenda.

Sec. 81.0872. ESTABLISHMENT OF COMMITTEE. (a) The committee consists of nine members, including:

(1) three attorneys appointed by the president of the state bar;

(2) one nonattorney public member appointed by the president of the state bar;

(3) four attorneys appointed by the supreme court; and

(4) one nonattorney public member appointed by the supreme court.

(b) The president of the state bar and the chief justice of the supreme court shall alternate designating an attorney member of the committee to serve as the presiding officer of the committee for a term of one year.

(c) Committee members serve staggered three-year terms, with one-third of the members' terms expiring each year.

Sec. 81.0873. COMMITTEE DUTIES. The committee shall:

(1) regularly review the Texas Disciplinary Rules of Professional Conduct and the Texas Rules of Disciplinary Procedure;

(2) at least annually issue to the supreme court and the board of directors a report on the adequacy of the rules reviewed under Subdivision (1); and

(3) oversee the initial process for proposing a disciplinary rule under Section 81.0875.

Sec. 81.0874. STAFF ATTORNEY. The state bar may hire a staff attorney to assist the committee.

Sec. 81.0875. INITIATION OF RULE PROPOSAL PROCESS. (a) The committee may initiate the process for proposing a disciplinary rule for the state bar as the committee considers necessary or in conjunction with the review of the Texas Disciplinary Rules of Professional Conduct and the Texas Rules of Disciplinary Procedure under Section 81.0873(1).

(b) Not later than the 60th day after the date the committee receives a request to initiate the process for proposing a disciplinary rule, the committee shall:

(1) initiate the process; or

(2) issue a written decision declining to initiate the process and the reasons for declining.

(c) A request to initiate the process for proposing a disciplinary rule under Subsection (b) may be made by:

(1) a resolution of the board of directors;

(2) a request of the supreme court;

(3) a request of the commission;

(4) a petition signed by at least 10 percent of the registered members of the state bar;

(5) a concurrent resolution of the legislature; or

(6) a petition signed by at least 20,000 people, of which at least 51 percent, or 10,200 or more, must be residents of this state.

Sec. 81.0876. RULE PROPOSAL. (a) On initiation of the process for proposing a disciplinary rule, the committee shall:

(1) study the issue to be addressed by the proposed rule;

(2) hold a public hearing on the issue;

(3) draft the proposed rule, which may not address more than one subject; and

(4) make all reasonable efforts to solicit comments from different geographic regions in this state, nonattorney members of the public, and members of the state bar.

(b) A proposed disciplinary rule is withdrawn six months after the date the rule proposal process is initiated under Section 81.0875(b)(1) if the proposed disciplinary rule is not published on or before that date in:

(1) the Texas Register; and

(2) the Texas Bar Journal.

(c) The committee shall give interested parties at least 30 days from the date the proposed disciplinary rule is published as required under Subsection (b) to submit comments on the rule to the committee.

(d) The committee shall hold a public hearing on the proposed disciplinary rule if, during the comment period described by Subsection (c), the hearing is requested by:

(1) at least 25 people;

(2) a state agency or political subdivision of this state; or

(3) an association with at least 25 members.

(e) On conclusion of the comment period described by Subsection (c), the committee may amend the proposed disciplinary rule in response to the comments.

(f) The committee shall vote on whether to recommend a proposed disciplinary rule to the board of directors not later than the 60th day after the final day of the comment period described by Subsection (c). The committee may not recommend a proposed disciplinary rule unless at least five members of the committee favor recommendation.

(g) The committee shall submit a proposed disciplinary rule that is recommended by the committee to the board of directors for review and consideration.

Sec. 81.0877. APPROVAL OF PROPOSED DISCIPLINARY RULE BY BOARD OF DIRECTORS. (a) The board of directors shall vote on each proposed disciplinary rule recommended by the committee not later than the 120th day after the date the rule is received from the committee. The board shall vote for or against the rule or return the rule to the committee for additional consideration.

(b) If a proposed disciplinary rule is approved by a majority of the directors, the board of directors shall petition the supreme court to order a referendum as provided by Section 81.0878 on the rule by the members of the state bar.

Sec. 81.0878. REFERENDUM VOTE BY STATE BAR MEMBERS. (a) On receipt of a petition filed by the board of directors under Section 81.0877(b), the supreme court shall:

(1) distribute a copy of the rule in ballot form to each member of the state bar and order a vote on the rule; and

(2) publish the rule in:

(A) the Texas Register; and

(B) the Texas Bar Journal.

(b) The supreme court shall give state bar members:

(1) at least 30 days to consider a proposed disciplinary rule before voting begins; and

(2) 30 days to vote on the proposed disciplinary rule following the period for considering the proposed rule under Subdivision (1).

(c) The state bar shall provide proponents and opponents of a proposed disciplinary rule an equal opportunity to present their views at any bar-sponsored forum at which the rule referendum is discussed.

(d) One or more proposed disciplinary rules may appear on a single referendum ballot. State bar members shall vote for or against each rule. If a majority of the members who vote on the proposed rule vote in favor of the rule, the rule is approved by the members of the state bar.

Sec. 81.0879. SUPREME COURT APPROVAL OR REJECTION. The supreme court by majority vote may approve or reject a proposed disciplinary rule in its entirety, but may not approve or reject only part of the rule. If the supreme court does not vote on the rule on or before the 120th day after the date the rule is approved by bar members under Section 81.0878, the rule is considered approved by the supreme court.

Sec. 81.08791. RULE DELIBERATIONS. (a) The committee, the board of directors, or the supreme court shall provide notice of any deliberation on a proposed disciplinary rule, and the deliberation must be open to the public.

(b) The board of directors and the supreme court shall record and make public each vote for or against a proposed disciplinary rule.

Sec. 81.08792. PROPOSED DISCIPLINARY RULE APPROVAL REQUIRED BEFORE ADOPTION. A proposed disciplinary rule may not be adopted by the supreme court unless the rule is approved by:

(1) the committee;

(2) the board of directors;

(3) the members of the state bar; and

(4) the supreme court.

Sec. 81.08793. USE OF TECHNOLOGY. The supreme court, the committee, and the state bar shall use technological solutions throughout the disciplinary rule proposal process to promote:

(1) financial efficiency; and

(2) comments from interested persons.

Sec. 81.08794. EXPIRED TIME AND DEFEATED RULE PROPOSAL. (a) If a time limit provided by this subchapter expires or a disciplinary rule proposal is otherwise defeated, the process for initiating the proposed disciplinary rule may again be initiated in accordance with this subchapter.

(b) For good cause shown, the supreme court may grant a petition to extend any time limit provided by this subchapter until a date that is not later than the 90th day after the original deadline.

SUBCHAPTER E-2. OMBUDSMAN FOR ATTORNEY DISCIPLINE SYSTEM

Sec. 81.0881. DEFINITIONS. In this subchapter:

(1) "Ombudsman" means the ombudsman for the attorney discipline system of the state bar.

(2) "System" means the attorney discipline system of the state bar.

Sec. 81.0882. OMBUDSMAN FOR ATTORNEY DISCIPLINE SYSTEM. (a) The state bar shall fund one full-time equivalent position of ombudsman for the attorney discipline system.

(b) The ombudsman is selected by the members of the supreme court and is independent of the state bar, the board of directors, the commission, and the chief disciplinary counsel.

(c) The ombudsman shall report directly to the supreme court.

Sec. 81.0883. POWERS AND DUTIES OF OMBUDSMAN. (a) The ombudsman shall:

(1) review grievances to determine whether the state bar followed the proper grievance procedures;

(2) receive complaints about the system;

(3) receive and investigate complaints on violations of the system's procedural rules;

(4) answer questions from the public on the system's operation, accessing the system, and the availability of other state bar programs;

(5) assist members of the public wishing to submit a lawyer grievance by explaining the information required and the methods for submitting the information; and

(6) at least annually, make recommendations to the board of directors and the supreme court for improvements to the system, including ways to improve access to the system and changes to the grievance form.

(b) The ombudsman may not:

(1) draft a complaint for a member of the public;

(2) act as an advocate for a member of the public;

(3) reverse or modify a finding or judgment in any disciplinary proceeding; or

(4) intervene in any disciplinary matter.

Sec. 81.0884. ACCESS TO INFORMATION. The chief disciplinary counsel, a district grievance committee, the board of directors, the commission, and state bar members shall share with the ombudsman requested information that is necessary to:

(1) determine whether the state bar followed procedural rules related to a particular grievance; or

(2) evaluate the system's efficacy and adequacy.

Sec. 81.0885. CONFIDENTIAL INFORMATION; PRIVILEGED COMMUNICATIONS. (a) All types of information, proceedings, hearing transcripts, and statements presented to the ombudsman are confidential and may not be disclosed to any person other than the chief disciplinary counsel unless disclosure is ordered by a court.

(b) The ombudsman may not access privileged communications and information shared between the chief disciplinary counsel and the commission.

SECTION 11. Section 81.115(b), Government Code, is amended to read as follows:

(b) A profile must contain the following information on each attorney:

(1) the name of each law school attended and the date the attorney graduated;

(2) the date the attorney became licensed to practice law in this state;

(3) any specialty certification recognized by the state bar and held by the attorney;

(4) the attorney's primary practice location;

(5) any public disciplinary sanctions issued by the state bar against the attorney, including a link on the attorney's online profile to the full text of the disciplinary judgment entered by a district grievance committee or district judge [~~during at least the 10-year period preceding the date of the profile~~]; and

(6) any public disciplinary sanctions issued by an entity in another state responsible for attorney discipline in that state against the attorney [~~during at least the 10-year period preceding the date of the profile~~].

SECTION 12. Section 411.100, Government Code, is amended to read as follows:

Sec. 411.100. ACCESS TO CRIMINAL HISTORY RECORD INFORMATION: BOARD OF LAW EXAMINERS AND STATE BAR OF TEXAS. (a) The Board of Law Examiners is entitled to obtain from the department criminal history record information maintained by the department that relates to a person who is an applicant to take a bar examination.

(a-1) The State Bar of Texas is entitled to obtain:

(1) from the department, criminal history record information maintained by the department that relates to a person who is a member of the state bar; or

(2) from the Board of Law Examiners, criminal history record information obtained under Subsection (a).

(b) Criminal history record information obtained [~~by the board~~] under Subsection (a) or (a-1) may not be released or disclosed to any person, except on court order or with consent of the applicant.

(c) Immediately following the [~~board's~~] decision of the Board of Law Examiners on recommending an applicant, the board shall collect and make accessible to the State Bar of Texas [~~seal~~] all criminal history record information obtained by the board that relates to that applicant.

SECTION 13. Section 411.1005(a), Government Code, is amended to read as follows:

(a) The chief disciplinary [~~general~~] counsel of the State Bar of Texas is entitled to obtain from the department criminal history record information maintained by the department that relates to a person who is:

(1) [~~a person~~] licensed by the state bar;

(2) [~~and who is~~] the subject of or involved in an investigation of:

(A) professional misconduct relating to a grievance filed under the disciplinary rules of the state bar; or

(B) barratry, the unauthorized practice of law, or falsely holding oneself out as a lawyer, in violation of Section 38.12, 38.122, or 38.123, Penal Code;

(3) [~~(2)~~] a witness in any disciplinary action or proceeding conducted by the state bar, the Board of Disciplinary Appeals, or any court; or

(4) [~~(3)~~] an applicant for reinstatement to practice law.

SECTION 14. Sections 81.024(c), (d), (e), (f), and (g), Government Code, are repealed.

SECTION 15. (a) The State Bar of Texas shall obtain criminal history record information on each person who is a member of the state bar and whose information is already on file with the Department of Public Safety or the Board of Law Examiners on the effective date of this Act as authorized by Sections 411.100 and 411.1005, Government Code, as amended by this Act, not later than September 1, 2018.

(b) As soon as practicable after the effective date of this Act, but not later than January 1, 2018, the president of the State Bar of Texas and the Texas Supreme Court shall appoint the initial members of the Committee on Disciplinary Rules and Referenda as follows:

(1) the state bar president shall appoint one person to a term expiring in 2018;

(2) the supreme court shall appoint two people to terms expiring in 2018;

(3) the state bar president shall appoint two people to terms expiring in 2019;

(4) the supreme court shall appoint one person to a term expiring in 2019;

(5) the state bar president shall appoint one person to a term expiring in 2020; and

(6) the supreme court shall appoint two people to terms expiring in 2020.

(c) Notwithstanding Subchapter E-1, Chapter 81, Government Code, as added by this Act, not later than March 1, 2018, the Texas Supreme Court shall adopt the rules necessary to:

(1) modify the voluntary mediation and dispute resolution procedures for grievances as required by Section 81.072(e), Government Code, as amended by this Act;

(2) authorize the issuance of subpoenas under Section 81.080, Government Code, as added by this Act;

(3) implement Section 81.081, Government Code, as added by this Act;

(4) revise the time provided for grievance investigations, subpoena issuance, investigatory hearings, and providing voluntary mediation and dispute resolution under Section 81.072(e), Government Code, as amended by this Act;

(5) establish the process to identify complaints suitable for settlement attempts and authorize the chief disciplinary counsel to conduct investigatory and disciplinary hearings by teleconference under Sections 81.082 and 81.086, Government Code, as added by this Act;

(6) establish the grievance referral program as required by Subsection (d)(3) of this section; and

(7) establish the sanction guidelines proposed by the chief disciplinary counsel under Section 81.083, Government Code, as added by this Act.

(d) The chief disciplinary counsel shall:

(1) develop proposed changes to the disciplinary rules regarding the time for conducting an investigation of a grievance or issuing a subpoena related to an investigation or attempting a settlement in an investigatory hearing under Section 81.082, Government Code, as added by this Act;

(2) propose rules necessary to implement the settlement process described by Section 81.082, Government Code, as added by this Act; and

(3) propose rules to establish a grievance referral program under the Texas Rules of Disciplinary Procedure, including criteria for attorney participation and authorization for use of the program at any point in the attorney disciplinary process.

(e) The State Bar of Texas shall assist the Texas Supreme Court on rule modifications to the Texas Rules of Disciplinary Procedure that are necessary to address Section 81.072(e)(1), Government Code, as amended by this Act, including:

(1) types of grievances the chief disciplinary counsel may refer to the voluntary mediation and dispute resolution procedure and the criteria defining the grievance types;

(2) modifications to the time for processing grievances to accommodate voluntary mediation and dispute resolution and the establishment of a limit on the time for resolution through voluntary mediation and dispute resolution or referral to the formal grievance process for further action; and

(3) confidentiality rules to allow the chief disciplinary counsel and client-attorney assistance program to share appropriate information in a case referred for voluntary mediation and dispute resolution.

(f) The State Bar of Texas shall include on attorneys' online profiles any historical information on public disciplinary sanctions as is practicable under Section 81.115(b), Government Code, as amended by this Act. A public disciplinary action issued on or after the effective date of this Act must be included on the attorney's online profile as required by Section 81.115(b), Government Code, as amended by this Act.

(g) Not later than September 1, 2018, the Commission for Lawyer Discipline shall include information regarding barratry in the report required under Section 81.076(h), Government Code, as amended by this Act.

SECTION 16. (a) Except as provided by Subsection (b) of this section, Section 81.0201, Government Code, as amended by this Act, applies to a member of the board of directors of the State Bar of Texas appointed before, on, or after the effective date of this Act.

(b) A member of the board of directors of the State Bar of Texas who, before the effective date of this Act, completed the training program required by Section 81.0201, Government Code, as that law existed before the effective date of this Act, is required to complete additional training only on subjects added by this Act to the training program as required by Section 81.0201, Government Code, as amended by this Act. A board member described by this subsection may not vote, deliberate, or be counted as a member in attendance at a meeting of the board held on or after December 1, 2017, until the member completes the additional training.

SECTION 17. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 302** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 312

Senator Nichols submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 312** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

NICHOLS	GONZALES
HINOJOSA	MORRISON
WATSON	S. THOMPSON
HANCOCK	RAYMOND
TAYLOR OF COLLIN	BURKETT
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the continuation and functions of the Texas Department of Transportation; authorizing an increase in rates charged for the use of state aircraft to provide for the acquisition of replacement aircraft; creating a criminal offense.

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

SECTION 1. Section 21.069(a), Transportation Code, is amended to read as follows:

(a) The department[~~, in consultation with the State Aircraft Pooling Board,~~] shall establish a state airport in Central Texas that is open to the general public.

SECTION 2. Section 201.059, Transportation Code, is amended to read as follows:

Sec. 201.059. COMMISSION MEMBER TRAINING [~~ON DEPARTMENT AND CERTAIN LAWS RELATING TO DEPARTMENT~~]. (a) A [~~To be eligible to take office as a member of the commission, a~~] person who is appointed to and qualifies for office as a member of the commission may not vote, deliberate, or be counted as a member in attendance at a meeting of the commission until the person completes [~~must complete at least one course of~~] a training program that complies with this section.

(b) The training program must provide the person with information [~~to the person~~] regarding:

(1) the law governing department operations [~~this subchapter~~];

(2) the programs, functions, rules, and budget of [~~operated by~~] the department;

(3) the scope of and limitations on the rulemaking authority of the commission [~~role and functions of the department~~];

(4) [~~the rules of the department with an emphasis on the rules that relate to disciplinary and investigatory authority;~~

[~~(5) the current budget for the department;~~

[~~(6)~~] the results of the most recent formal audit of the department;

(5) [~~(7)~~] the requirements of [~~the~~]:

(A) laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest [~~law, Chapter 551, Government Code~~]; and

(B) other laws applicable to members of the commission in performing their duties [~~open records law, Chapter 552, Government Code; and~~

[~~(C) administrative procedure law, Chapter 2001, Government Code;~~

[~~(8) the requirements of the conflict of interest laws and other laws relating to public officials~~]; and

(6) [~~(9)~~] any applicable ethics policies adopted by the department [~~commission~~] or the Texas Ethics Commission.

(c) A person appointed to the commission is entitled to reimbursement, as provided by the General Appropriations Act, for the travel expenses incurred in attending the training program, regardless of whether the attendance at the program occurs before or after [~~as provided by the General Appropriations Act and as if~~] the person qualifies for office [~~were a member of the commission~~].

(d) The director shall create a training manual that includes the information required by Subsection (b). The director shall distribute a copy of the training manual annually to each member of the commission. On receipt of the training manual, each member of the commission shall sign and submit to the director a statement acknowledging receipt of the training manual.

SECTION 3. Section 201.204, Transportation Code, is amended to read as follows:

Sec. 201.204. SUNSET PROVISION. The Texas Department of Transportation is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished September 1, 2029 [~~2017~~].

SECTION 4. Sections 201.601(a-1) and (d), Transportation Code, are amended to read as follows:

(a-1) The plan must:

(1) contain specific and clearly defined transportation system strategies, long-term transportation goals for the state and measurable targets for each goal, and other related performance measures;

(2) identify priority corridors, projects, or areas of the state that are of particular concern to the department in meeting the goals established under Subdivision (1); and

(3) contain a participation plan specifying methods for obtaining formal input on the goals and priorities identified under this subsection from:

(A) other state agencies;

(B) political subdivisions;

(C) local transportation entities; and

(D) the general public.

(d) In selecting transportation projects, the [~~The~~] department shall consider the transportation system strategies, goals and measurable targets, and other related performance measures established under Subsection (a-1)(1) [~~in selecting transportation projects~~].

SECTION 5. Section 201.6013, Transportation Code, is amended to read as follows:

Sec. 201.6013. LONG-TERM PLAN FOR STATEWIDE PASSENGER RAIL SYSTEM. (a) The department shall:

(1) prepare [~~and update annually~~] a long-term plan for a statewide passenger rail system; and

(2) update the plan at least once every five years.

(b) Information contained in the plan must include:

(1) a description of existing and proposed passenger rail systems;

(2) information regarding the status of passenger rail systems under construction;

(3) an analysis of potential interconnectivity difficulties;

(4) an analysis of short-term and long-term effects of each proposed passenger rail system on state and local road connectivity, including effects on oversize or overweight vehicles and other commercial traffic;

(5) an analysis of the effect of each proposed passenger rail system on statewide transportation planning, including the effect on future state and local road construction and road maintenance needs;

(6) ridership projections for proposed passenger rail projects; and

(7) [~~(5)~~] ridership statistics for existing passenger rail systems.

SECTION 6. Section 201.6015, Transportation Code, is amended to read as follows:

Sec. 201.6015. INTEGRATION OF PLANS AND POLICY EFFORTS. In developing each of its transportation plans and policy efforts, the department must:

(1) clearly reference the statewide transportation plan under Section 201.601;

(2) include in the plan or policy effort the transportation system strategies, goals and measurable targets, and other related performance measures established under Section 201.601(a-1)(1); and

(3) [~~and~~] specify how the plan or policy effort supports [~~or otherwise relates to~~] the specific goals established under Section 201.601(a-1)(1) [~~that section~~].

SECTION 7. Subchapter I, Chapter 201, Transportation Code, is amended by adding Section 201.705 to read as follows:

Sec. 201.705. AESTHETIC ENTRANCES AND ORNAMENTAL DECORATIONS. The department may enter into agreements with local governments, convention and visitors bureaus, chambers of commerce, or other governmental or nongovernmental entities for the purpose of purchasing supplies and materials to be used for aesthetic entrances to municipalities or census designated places along interstate highways or highway corridors or ornamental decorations along overpasses, provided that the department may not expend appropriated funds solely to plan, design, or construct aesthetic entrances to municipalities or census designated places along interstate highways or highway corridors or ornamental decorations along overpasses.

SECTION 8. Section 201.806(a), Transportation Code, is amended to read as follows:

(a) The department shall:

(1) tabulate and analyze the vehicle accident reports it receives; and

(2) annually or more frequently publish on the department's Internet website statistical information derived from the accident reports as to the number, cause, and location of highway accidents, including information regarding the number of:

(A) accidents involving injury to, death of, or property damage to a bicyclist or pedestrian; and

(B) fatalities caused by a bridge collapse, as defined by Section 550.081.

SECTION 9. Section 201.807, Transportation Code, is amended by amending Subsection (a) and adding Subsections (g) and (h) to read as follows:

(a) In this section, "department project" means a highway project under the jurisdiction of the department, including a grouped rehabilitation and preventive maintenance project, that:

(1) is being developed or is under construction; and

(2) is identified in the district project portfolio [~~work program~~] required under Section 201.998.

(g) The department shall:

(1) conduct a comprehensive review of the project information reporting system;

(2) in conducting the review required by Subdivision (1), incorporate feedback from internal and external users of the system and advice from the department office responsible for public involvement; and

(3) develop a plan for implementing any needed improvements to the system.

(h) The department shall conduct the review required by Subsection (g)(1) on a regular basis, as specified by commission rule.

SECTION 10. Subchapter J, Chapter 201, Transportation Code, is amended by adding Section 201.8075 to read as follows:

Sec. 201.8075. STATEWIDE TRANSPORTATION PLAN DASHBOARD. (a) In this section, "dashboard" means a web-based data visualization tool that provides an analysis and visual representation of key performance measures relevant to a particular objective.

(b) The department shall develop and prominently display on the department's Internet website a dashboard that clearly communicates to the public:

(1) the transportation system strategies, goals and measurable targets, and other related performance measures established under Section 201.601(a-1)(1); and

(2) the department's progress, including trends over time, in meeting the strategies, goals and targets, and other related performance measures described by Subdivision (1).

(c) The dashboard must be in a format that is easy to navigate.

(d) The department shall:

(1) regularly update the information displayed on the dashboard; and

(2) publish on the department's Internet website the methodology and data used to determine the department's progress under Subsection (b)(2).

SECTION 11. Section 201.808, Transportation Code, is amended by adding Subsection (i) to read as follows:

(i) The department shall:

(1) conduct a comprehensive analysis regarding the effect of funding allocations made to funding categories described by Section 201.991(b) and project selection decisions on accomplishing the goals described in the statewide transportation plan under Section 201.601;

(2) provide the analysis to metropolitan planning organizations, the public, and each member of the commission for the purpose of informing deliberations on funding decisions for the unified transportation program under Section 201.991;

(3) update the analysis as part of:

(A) the department's annual update to the unified transportation program under Section 201.992 and any other formal update to that program; and

(B) the evaluation and report required by Section 201.809;

(4) promptly publish the analysis on the department's Internet website in its entirety and in summary form; and

(5) publish the methodology and data used to create the analysis on the department's Internet website and make the methodology and data available to the metropolitan planning organizations, the public, and the commission under Subdivision (2).

SECTION 12. Section 201.809(a), Transportation Code, is amended to read as follows:

(a) The department annually shall evaluate and publish a report about the status of each transportation goal for this state. The department shall also promptly publish the report on the department's Internet website in summary form. The report must include:

(1) information about the progress of each long-term transportation goal that is identified by the statewide transportation plan;

(2) the status of each project identified as a major priority;

(3) a summary of the number of statewide project implementation benchmarks that have been completed; [~~and~~]

(4) information about the accuracy of previous department financial forecasts; and

(5) the analysis required by Section 201.808(i).

SECTION 13. Subchapter J, Chapter 201, Transportation Code, is amended by adding Section 201.812 to read as follows:

Sec. 201.812. REPORT ON COMPLETED HIGHWAY CONSTRUCTION PROJECTS. (a) The department shall semiannually publish on the department's Internet website a report on all highway construction projects, listed by department district, that have been completed.

(b) The report required by Subsection (a) must, for each project listed in the report:

(1) specify whether the project was completed:

(A) on schedule, ahead of schedule, or behind schedule; and

(B) on budget, under budget, or over budget; and

(2) include any change orders.

SECTION 14. Section 201.991, Transportation Code, is amended by adding Subsections (b-1) and (e) and amending Subsection (d) to read as follows:

(b-1) The commission by rule shall:

(1) adopt a policy comprehensively explaining the department's approach to public involvement and transparency related to the unified transportation program; and

(2) require the department to, at a minimum, make a report on any change to the unified transportation program available on the department's Internet website and provide the report to the commission in a public meeting, regardless of any rules adopted for public hearings and approvals.

(d) In developing the rules required by Subsection (b) [~~this section~~], the commission shall collaborate with local transportation entities.

(e) In developing the policy required by Subsection (b-1)(1), the commission shall collaborate with stakeholders.

SECTION 15. Section 201.992(b), Transportation Code, is amended to read as follows:

(b) The annual update must include:

(1) the annual funding forecast required by Section 201.993;

(2) the list of major transportation projects required by Section 201.994(b); [~~and~~]

(3) the category to which the project has been assigned and the priority of the project in the category under Section 201.995; and

(4) the analysis required by Section 201.808(i).

SECTION 16. Sections 201.993(a) and (c), Transportation Code, are amended to read as follows:

(a) The department annually shall:

(1) develop and publish on the department's Internet website a forecast of all funds the department expects to receive, including funds from this state and the federal government; and

(2) use that forecast to guide planning for the unified transportation program.

(c) Not later than September 1 of each year, the department shall prepare and publish on the department's Internet website a cash flow forecast for a period of 20 years.

SECTION 17. Section 201.995, Transportation Code, is amended by adding Subsection (d) to read as follows:

(d) In prioritizing and approving projects under Section 201.9991 that are included in the unified transportation program, the commission must first evaluate projects on strategic need and potential contribution toward meeting the transportation goals established under Section 201.601(a-1)(1). After conducting that initial evaluation, the commission may conduct a secondary evaluation based on other factors such as funding availability and project readiness.

SECTION 18. Section 201.998, Transportation Code, is amended to read as follows:

Sec. 201.998. DISTRICT PROJECT PORTFOLIOS [~~WORK PROGRAM~~]. (a) Each department district shall develop a consistently formatted project portfolio [~~work program~~] based on the unified transportation program covering a period of at least four years that contains all projects that the district proposes to implement during that period.

(b) The department shall develop comprehensive performance measures for key steps in the project development process for projects included in each district's project portfolio. The department shall use the performance measures developed under this subsection to track and report whether each district is:

(1) developing an appropriate mix of projects; and

(2) on track to meet letting targets that are consistent with applicable department policy governing when a project should be bid on for a contract awarded by the department [~~work program must contain:~~

[~~(1) information regarding the progress of projects designated as major transportation projects, according to project implementation benchmarks and timelines established under Section 201.994; and~~

[~~(2) a summary of the progress on other district projects~~].

(c) The department shall conduct a review of project development activities in each district's project portfolio on a regular basis and use the review [~~use the work program~~] to[~~:~~

[~~(1)~~] monitor and evaluate the performance of each [~~the~~] district[~~; and~~

[~~(2) evaluate the performance of district employees~~].

(d) In conducting the review required by Subsection (c), the [~~The~~] department shall, when appropriate, seek input from key stakeholders such as local government project sponsors or metropolitan planning organizations [~~publish the work program in appropriate media and on the department's Internet website~~].

(e) The commission shall adopt rules as necessary to administer this section.

(f) The commission shall adopt and regularly update rules:

(1) governing the overall planning, review, and monitoring process created by this section;

(2) specifying how planning and project stakeholders can become involved in the process described by Subdivision (1); and

(3) requiring the department to regularly report results under this section to the commission and the public and specifying the method for reporting those results.

(g) The commission shall consult a stakeholder group before adopting or updating rules under Subsection (f).

SECTION 19. Section 201.9991(a), Transportation Code, is amended to read as follows:

(a) The commission by rule shall prioritize and approve projects included in the statewide transportation plan under Section 201.601 or in the unified transportation program under Section 201.991 in order to provide financial assistance under this chapter.

SECTION 20. Subchapter P, Chapter 201, Transportation Code, is amended by adding Section 201.9992 to read as follows:

Sec. 201.9992. ROLES AND RESPONSIBILITIES OF DEPARTMENT AND METROPOLITAN PLANNING ORGANIZATIONS. (a) The commission shall adopt rules governing:

(1) the alignment of the department's state and federal funding forecasts, including the annual funding forecast required by Section 201.993, with the funding forecasts of metropolitan planning organizations, including:

(A) the funding forecasts used for long-term planning as described in Sections 201.620 and 472.035; and

(B) the 10-year transportation plan required by Section 201.9911;

(2) the alignment of the statewide project recommendation criteria developed by the department with the project recommendation criteria developed by metropolitan planning organizations that relate to statewide transportation goals, particularly for major mobility projects using a mix of several funding sources and selected by different entities;

(3) the department's timelines and review process for the 10-year transportation plans required by Section 201.9911;

(4) the department's process for allowing metropolitan planning organizations direct access to the department's information systems, software, and technical assistance for the purpose of accomplishing statewide transportation goals; and

(5) the department's process for collaborating with metropolitan planning organizations to regularly evaluate the availability, consistency, and quality of data and other information needed to fully develop a more performance-based transportation planning and project selection system.

(b) A rule adopted under Subsection (a)(3) must take into consideration a metropolitan planning organization's other deadlines and requirements in federal law.

(c) The commission shall consult a stakeholder group before developing the rules required by Subsection (a).

SECTION 21. Subchapter B, Chapter 203, Transportation Code, is amended by adding Section 203.023 to read as follows:

Sec. 203.023. SUBSTANTIAL CHANGE IN LAYOUT OR FUNCTION. The commission by rule shall require a hearing for projects that substantially change the layout or function of a connecting roadway or an existing facility, including the addition of managed lanes, high-occupancy vehicle lanes, bicycle lanes, bus lanes, and transit lanes.

SECTION 22. Section 222.103(a), Transportation Code, is amended to read as follows:

(a) The department may participate, by spending money from any available source, in the cost of the acquisition, construction, maintenance, or operation of a toll facility of a public or private entity on terms and conditions established by the commission. The commission[~~:~~

[~~(1) may require the repayment of any money spent by the department for the cost of a toll facility of a public entity; and~~

[~~(2)~~] shall require the repayment of any money spent [~~by the department for the cost of a toll facility of a private entity~~].

SECTION 23. Section 223.012, Transportation Code, is amended to read as follows:

Sec. 223.012. CONTRACTOR PERFORMANCE. (a) The commission [~~department~~] shall adopt rules to:

(1) establish a range of contract remedies to be included in all low-bid highway improvement contracts, including enforceable corrective action plans and criteria for prohibiting contractors with significant project completion delays from bidding on new projects, and develop a process and criteria for when to apply each contract remedy;

(2) develop and implement a schedule for liquidated damages that accurately reflects the costs associated with project completion delays, including administrative and travel delays; and

(3) develop a contractor performance evaluation process and an evaluation tool that:

(A) allows for the [~~(2)~~] review of contractor bidding capacity to ensure that contractors meet each quality, safety, and timeliness standard established by the commission; and

(B) contains criteria for modifying a contractor's bidding capacity for competitively bid highway improvement contracts when appropriate [~~(3) conduct a review to determine whether commission rules or state law should be changed to realize significant cost and time savings on state highway construction and maintenance projects~~].

(b) In developing the rules required by Subsection (a)(1), the commission must:

(1) consult with industry contractors; and

(2) consider contract remedies used by:

(A) other state agencies; and

(B) departments of transportation in other states [~~Not later than December 1, 1998, the department shall file a report with the governor, the lieutenant governor, and the speaker of the house of representatives containing:~~

[~~(1) the results of the review conducted under Subsection (a)(3); and~~

[~~(2) recommendations on legislation the commission determines is necessary to realize significant cost and time savings on state highway construction and maintenance~~].

(c) The rules adopted under Subsection (a)(2) must:

(1) include criteria for identifying projects that have a significant impact on the traveling public; and

(2) require the department to calculate project-specific liquidated damages for projects described by Subdivision (1) that reflect the true cost of travel delays.

(d) In developing the evaluation tool required by Subsection (a)(3), the commission must consult with industry contractors.

(e) The rules adopted under Subsection (a)(3) must:

(1) provide for a process for contractors to appeal the contractors' evaluations; and

(2) include criteria for the use of the evaluations by the department to address contractor performance problems.

(f) Rules adopted under this section must require:

(1) contractual provisions providing for the consideration of sufficient time; and

(2) the department to consider any events outside a contractor's control before assessing a penalty against the contractor.

SECTION 24. Subchapter B, Chapter 223, Transportation Code, is amended by adding Section 223.051 to read as follows:

Sec. 223.051. VERIFICATION BY CONTRACTORS. (a) In this section, "E-verify program" has the meaning assigned by Section 673.001, Government Code.

(b) The department may not award a contract for the construction, maintenance, or improvement of a highway in this state to a contractor unless the contractor and any subcontractor register with and participate in the E-verify program to verify employee information. The contractor and any subcontractor must continue to participate in the program during the term of the contract.

(c) The department shall develop procedures for the administration and enforcement of this section.

SECTION 25. Subchapter B, Chapter 224, Transportation Code, is amended by adding Section 224.034 to read as follows:

Sec. 224.034. HIGHWAY CLOSURES DURING CERTAIN PERIODS. (a) If a proposed improvement of the state highway system requires the closing of a highway, the department shall, before entering into a contract for the proposed improvement, coordinate the highway closure by communicating in person or by telephone call, e-mail, or other direct method of communication with public officials from municipalities affected by the closure to avoid any adverse economic impact on the municipalities during:

(1) periods of increased travel on the state highway system, including major state and federal holidays and school holidays; and

(2) other periods of high commercial activity in the state, including limited periods in which certain items are exempted from the sales tax imposed by Chapter 151, Tax Code.

(b) A contract for the proposed improvement of the state highway system that requires the closing of a highway as described by Subsection (a) must include a provision identifying the days on which the highway may not be closed.

(c) The department shall submit an annual report to the governor, the lieutenant governor, the speaker of the house of representatives, and each member of the legislature detailing all highway closures during periods listed in Subsection (a) and the estimated economic impact of those closures.

SECTION 26. Subchapter B, Chapter 225, Transportation Code, is amended by adding Sections 225.123 through 225.133 to read as follows:

Sec. 225.123. ROSA PARKS MEMORIAL PARKWAY. (a) The portion of State Highway 360 from the municipal limits of Mansfield in Tarrant County to its intersection with East Sublett Road/West Camp Wisdom Road in Tarrant County is designated as the Rosa Parks Memorial Parkway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Rosa Parks Memorial Parkway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.124. SENATOR CHRIS HARRIS MEMORIAL HIGHWAY. (a) The portion of State Highway 360 from its intersection with U.S. Highway 287 in Ellis County to the municipal limits of Mansfield in Tarrant County is designated as the Senator Chris Harris Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Senator Chris Harris Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.125. STATE TROOPER BILL DAVIDSON MEMORIAL HIGHWAY. (a) The portion of U.S. Highway 59 in Jackson County between mile marker 618 and mile marker 620 on the southbound side is designated as the State Trooper Bill Davidson Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the State Trooper Bill Davidson Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.126. VETERANS MEMORIAL HIGHWAY. (a) The portion of U.S. Highway 271 in Camp County is designated as the Veterans Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Veterans Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.127. TITUS COUNTY VIETNAM VETERANS MEMORIAL HIGHWAY. (a) The portion of Farm-to-Market Road 4000 in Titus County between its intersection with Farm-to-Market Road 1735 and the eastern municipal boundary of Mount Pleasant is designated as the Titus County Vietnam Veterans Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Titus County Vietnam Veterans Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.128. TEXAS GAME WARDEN TEYRAN "TY" PATTERSON MEMORIAL HIGHWAY. (a) Business State Highway 123-B in Guadalupe County is designated as the Texas Game Warden Teyran "Ty" Patterson Memorial Highway. This designation is in addition to any other designation.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Texas Game Warden Teyran "Ty" Patterson Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.129. KOLLYN BARTON MEMORIAL HIGHWAY. (a) The portion of Farm-to-Market Road 666 in Nueces County between its intersection with State Highway 44 and Farm-to-Market Road 624 is designated as the Kollyn Barton Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Kollyn Barton Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.130. BEDFORD-CARMICHAEL BRIDGE. (a) The structure on State Highway 6 located in Eastland County adjacent to Lake Cisco connecting the north and south banks of Sandy Creek is designated as the Bedford-Carmichael Bridge.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Bedford-Carmichael Bridge and any other appropriate information; and

(2) erect a marker at each end of the structure.

Sec. 225.131. SHERIFF RONNIE DODDS MEMORIAL HIGHWAY. (a) The portion of Alternate United States Highway 90 in Lavaca County from the eastern municipal limits of Shiner to the western municipal limits of Hallettsville is designated as the Sheriff Ronnie Dodds Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Sheriff Ronnie Dodds Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.132. SERGEANT DAVID M. FURRH MEMORIAL HIGHWAY. (a) The portion of State Highway 95 in Lavaca County from the northern municipal limits of Shiner to the southern municipal limits of Moulton is designated as the Sergeant David M. Furrh Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Sergeant David M. Furrh Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Sec. 225.133. STAFF SERGEANT JEREMIE S. BORDER MEMORIAL HIGHWAY. (a) The portion of State Highway 352 in the municipal limits of Mesquite is designated as the Staff Sergeant Jeremie S. Border Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Staff Sergeant Jeremie S. Border Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

SECTION 27. The heading to Section 228.054, Transportation Code, is amended to read as follows:

Sec. 228.054. TOLL PAYMENT REQUIRED [~~FAILURE OR REFUSAL TO PAY TOLL~~]; EMERGENCY VEHICLES EXEMPT [~~OFFENSE~~].

SECTION 28. Section 228.054(a), Transportation Code, is amended to read as follows:

(a) Except as provided by Subsection (e) [~~or Section 228.0545~~], the operator of a vehicle, other than an authorized emergency vehicle, as defined by Section 541.201, that is driven or towed through a toll collection facility shall pay the proper toll. The exemption from payment of a toll for an authorized emergency vehicle applies regardless of whether the vehicle is:

(1) responding to an emergency;

(2) displaying a flashing light; or

(3) marked as an emergency vehicle.

SECTION 29. The heading to Section 228.0545, Transportation Code, is amended to read as follows:

Sec. 228.0545. TOLL NOT PAID AT TIME OF USE; INVOICE [~~ALTERNATIVE TOLLING METHODS~~].

SECTION 30. Section 228.0545, Transportation Code, is amended by amending Subsections (c) and (d) and adding Subsection (e) to read as follows:

(c) The department shall send by first class mail to the registered owner of a [~~the~~] vehicle a written invoice containing an assessment for tolls incurred by the vehicle [~~notice of the total amount due. The notice must specify the date, which may not be earlier than the 30th day after the date the notice is mailed, by which the amount due must be paid. The registered owner shall pay the amount due on or before the date specified in the notice~~].

(d) The department shall send the invoice [~~notice~~] required under Subsection (c) and related communications [~~subsequent notices~~] to:

(1) the registered owner's address as shown in the vehicle registration records of the Texas Department of Motor Vehicles or the analogous department or agency of another state or country; or

(2) an alternate address provided by the owner or derived through other reliable means.

(e) The department may provide that the invoice under Subsection (c), instead of being sent by first class mail, be sent as an electronic record to a registered owner that agrees to the terms of the electronic record transmission of the information.

SECTION 31. Subchapter B, Chapter 228, Transportation Code, is amended by adding Sections 228.0546 and 228.0547 to read as follows:

Sec. 228.0546. INVOICE REQUIREMENTS; PAYMENT DUE DATE. An invoice containing an assessment for the use of a toll project must:

(1) require payment not later than the 30th day after the date the invoice is mailed; and

(2) conspicuously state:

(A) the amount due;

(B) the date by which the amount due must be paid; and

(C) that failure to pay the amount due in the required period will result in the assessment of an administrative fee.

Sec. 228.0547. PAYMENT OF TOLL INVOICE; OFFENSE. (a) A person who receives an invoice from the department for the use of a toll project shall, not later than the due date specified in the invoice:

(1) pay the amount owed as stated in the invoice; or

(2) send a written request to the department for a review of the toll assessments contained in the invoice.

(b) If a person fails to comply with Subsection (a), the department may add an administrative fee, not to exceed $6, to the amount the person owes. The department:

(1) must set the administrative fee by rule in an amount that does not exceed the cost of collecting the toll; and

(2) may not charge a person more than $48 in administrative fees in a 12-month period.

(c) A person who receives two or more invoices for unpaid tolls, including a lessee or transferee under Section 228.055(d-1) or (e) or a person who receives an invoice from an entity under Section 228.059, and who has not paid the amount due within 30 days of the date of the second invoice commits an offense. An offense under this subsection is a misdemeanor punishable by a fine not to exceed $250. A person may not be convicted of more than one offense under this subsection in a 12-month period.

(d) The court in which a person is convicted of an offense under Subsection (c) shall collect the unpaid tolls and administrative fees and forward the amounts to the department. A person who is convicted of an offense under Subsection (c) is also liable for court costs.

(e) The department may contract, in accordance with Section 2107.003, Government Code, with a person to collect the unpaid toll and any applicable administrative fee before referring the matter to a court with jurisdiction over the offense.

SECTION 32. The heading to Section 228.055, Transportation Code, is amended to read as follows:

Sec. 228.055. EXCEPTIONS FOR LEASED OR TRANSFERRED VEHICLE [~~ADMINISTRATIVE FEE; NOTICE; OFFENSE~~].

SECTION 33. Sections 228.055(d), (d-1), and (e), Transportation Code, are amended to read as follows:

(d) It is an exception to liability of a vehicle's registered owner for a toll incurred by the vehicle [~~the application of Subsection (a) or (c)~~] if the registered owner of the vehicle is a lessor of the vehicle and not later than the 30th day after the date the invoice containing an assessment of the toll [~~notice of nonpayment~~] is mailed provides to the department:

(1) a copy of the rental, lease, or other contract document covering the vehicle on the date the toll was incurred [~~of the nonpayment under Section 228.054 or the date the vehicle was driven or towed through a toll collection facility that results in a notice issued under Section 228.0545~~], with the name and address of the lessee clearly legible; or

(2) electronic data, in a format agreed on by the department and the lessor, other than a photocopy or scan of a rental or lease contract, that contains the information required under Sections 521.460(c)(1), (2), and (3) covering the vehicle on the date the toll was incurred [~~of the nonpayment under Section 228.054 or the date the vehicle was driven or towed through a toll collection facility that results in a notice issued under Section 228.0545~~].

(d-1) If the lessor provides the required information within the period prescribed under Subsection (d), the department may send an invoice [~~a notice of nonpayment~~] to the lessee at the address provided under Subsection (d) by first class mail before the 30th day after the date of receipt of the required information from the lessor. [~~The lessee of the vehicle for which the proper toll was not paid who is mailed a written notice of nonpayment under this subsection and fails to pay the proper toll and administrative fee within the time specified by the notice of nonpayment commits an offense. The lessee shall pay a separate toll and administrative fee for each event of nonpayment. Each failure to pay a toll or administrative fee under this subsection is a separate offense.~~]

(e) It is an exception to liability of a vehicle's registered owner for a toll incurred by the vehicle [~~the application of Subsection (a) or (c)~~] if the registered owner of the vehicle transferred ownership of the vehicle to another person before the toll was incurred [~~event of nonpayment under Section 228.054 occurred or before the date the vehicle was driven or towed through a toll collection facility that results in a notice issued under Section 228.0545~~], submitted written notice of the transfer to the department in accordance with Section 501.147, and, before the 30th day after the date the invoice [~~notice of nonpayment~~] is mailed, provides to the department the name and address of the person to whom the vehicle was transferred. If the former owner of the vehicle provides the required information within the period prescribed, the department may send an invoice [~~a notice of nonpayment~~] to the person to whom ownership of the vehicle was transferred at the address provided by the former owner by first class mail before the 30th day after the date of receipt of the required information from the former owner. The department may send all subsequent

invoices [~~notices of nonpayment~~] associated with the vehicle to the person to whom ownership of the vehicle was transferred at the address provided by the former owner or an alternate address provided by the subsequent owner or derived through other reliable means. [~~The subsequent owner of the vehicle for which the proper toll was not paid who is mailed a written notice of nonpayment under this subsection and fails to pay the proper toll and administrative fee within the time specified by the notice of nonpayment commits an offense. The subsequent owner shall pay a separate toll and administrative fee for each event of nonpayment under Section 228.054 or 228.0545. Each failure to pay a toll or administrative fee under this subsection is a separate offense.~~]

SECTION 34. Section 228.056, Transportation Code, is amended to read as follows:

Sec. 228.056. PRESUMPTIONS; PRIMA FACIE EVIDENCE; DEFENSES. (a) In the prosecution of an offense under Section 228.0547 [~~228.054 or 228.055~~], proof that the vehicle was driven or towed through the toll collection facility without payment of the proper toll may be shown by a video recording, photograph, electronic recording, or other appropriate evidence, including evidence obtained by automated enforcement technology.

(b) In the prosecution of an offense under Section 228.0547 [~~228.055(c), (d-1), or (e)~~]:

(1) it is presumed that the invoice containing the assessment for the toll [~~notice of nonpayment~~] was received on the fifth day after the date of mailing;

(2) a computer record of the Texas Department of Motor Vehicles of the registered owner of the vehicle is prima facie evidence of its contents and that the defendant was the registered owner of the vehicle when the toll was incurred [~~underlying event of nonpayment under Section 228.054 occurred or on the date the vehicle was driven or towed through a toll collection facility that results in a notice issued under Section 228.0545~~]; and

(3) a copy of the rental, lease, or other contract document, or the electronic data provided to the department under Section 228.055(d), covering the vehicle on the date the toll was incurred [~~of the underlying event of nonpayment under Section 228.054 or on the date the vehicle was driven or towed through a toll collection facility that results in a notice issued under Section 228.0545~~] is prima facie evidence of its contents and that the defendant was the lessee of the vehicle when the toll was incurred [~~underlying event of nonpayment under Section 228.054 occurred or when the vehicle was driven or towed through a toll collection facility that results in a notice issued under Section 228.0545~~].

(c) It is a defense to prosecution under Section 228.0547 [~~228.055(c), (d-1), or (e)~~] that the motor vehicle in question was stolen before the toll was incurred [~~failure to pay the proper toll occurred~~] and had not been recovered before the toll was incurred [~~failure to pay occurred~~], but only if the theft was reported to the appropriate law enforcement authority before the earlier of:

(1) the time the toll was incurred [~~the occurrence of the failure to pay~~]; or

(2) eight hours after the discovery of the theft.

SECTION 35. Section 228.059, Transportation Code, is amended to read as follows:

Sec. 228.059. TOLL COLLECTION AND ENFORCEMENT BY OTHER ENTITY[~~; OFFENSE~~]. An entity operating a toll lane pursuant to Section 228.007(b) has, with regard to toll collection and enforcement for that toll lane, the same powers and duties as the department under this chapter. [~~A person who fails to pay a toll or administrative fee imposed by the entity commits an offense. Each failure to pay a toll or administrative fee imposed by the entity is a separate offense. An offense under this section is a misdemeanor punishable by a fine not to exceed $250, and the provisions of Section 228.056 apply to the prosecution of the offense under this section.~~] The entity may use revenues for improvement, extension, expansion, or maintenance of the toll lane.

SECTION 36. The heading to Subchapter E, Chapter 228, Transportation Code, is amended to read as follows:

SUBCHAPTER E. LIMITATION ON TOLL FACILITY DESIGNATION [~~DETERMINATION~~]; CONVERSION OF NONTOLLED STATE HIGHWAY

SECTION 37. Section 228.201, Transportation Code, is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a) The department may not operate a nontolled state highway or a segment of a nontolled state highway as a toll project, and may not transfer a highway or segment to another entity for operation as a toll project, unless:

(1) the commission by order designated the highway or segment as a toll project before the contract to construct the highway or segment was awarded;

(2) the project was designated as a toll project in a plan or program of a metropolitan planning organization on or before September 1, 2005;

(3) the highway or segment is reconstructed so that the number of nontolled lanes on the highway or segment is greater than or equal to the number in existence before the reconstruction; or

(4) a facility is constructed adjacent to the highway or segment so that the number of nontolled lanes on the converted highway or segment and the adjacent facility together is greater than or equal to the number in existence on the converted highway or segment before the conversion[~~; or~~

[~~(5) subject to Subsection (b), the highway or segment was open to traffic as a high-occupancy vehicle lane on May 1, 2005~~].

(c) In determining the number of nontolled lanes required to comply with Subsection (a)(3), the department:

(1) may consider only a general-purpose lane that is part of the highway; and

(2) may not consider a lane of a frontage road to be a nontolled lane before or after reconstruction of the highway.

(d) The department may not operate any part of State Highway 255 in Webb County as a toll project.

SECTION 38. Subchapter E, Chapter 228, Transportation Code, is amended by adding Section 228.207 to read as follows:

Sec. 228.207. CÉSAR CHÁVEZ FREEWAY. (a) In this section, "César Chávez Freeway" means the portion of Loop 375 in El Paso County between Interstate Highway 10 and Santa Fe Street.

(b) If the Camino Real Regional Mobility Authority approves the conversion of the portion of the César Chávez Freeway that is operated as a toll project to a nontolled project:

(1) any money advanced by the department to the authority for the construction or maintenance of a toll project on the César Chávez Freeway that is unexpended on the effective date of the conversion shall be used for the construction of the Loop 375 Border Highway West Project in El Paso County from Race Track Drive to U.S. Highway 54 and added to the authority's obligation for that project under terms agreeable to the department; and

(2) the department shall maintain the César Chávez Freeway as part of the state highway system without tolls.

SECTION 39. Section 366.301(c), Transportation Code, is amended to read as follows:

(c) An obligation or expense incurred by the commission or department under this section is a part of the cost of the turnpike project for which the obligation or expense was incurred. The commission or department shall [~~may~~] require money contributed by the commission or department under this section to be repaid. The commission or department may require the money to be repaid from tolls or other revenue of the turnpike project or system on which the money was spent. Money repaid as required by the commission or department shall be deposited to the credit of the fund from which the contribution was made. Money deposited as required by this section is exempt from the application of Section 403.095, Government Code.

SECTION 40. Section 370.033(m), Transportation Code, is amended to read as follows:

(m) If an authority receives money from the general revenue fund, the Texas Mobility Fund, or the state highway fund, it:

(1) may use the money only to acquire, design, finance, construct, operate, or maintain a turnpike project under Section 370.003(14)(A) or (D) or a transit system under Section 370.351; and

(2) must repay the money.

SECTION 41. Sections 370.301(c) and (f), Transportation Code, are amended to read as follows:

(c) An obligation or expense incurred by the commission or department under this section is a part of the cost of the turnpike project for which the obligation or expense was incurred. The commission or department shall [~~may~~] require money contributed by the commission or department under this section to be repaid. The commission or department may require the money to be repaid from tolls or other revenue of the turnpike project on which the money was spent. Money repaid as required by the commission or department shall be deposited to the credit of the fund from which the contribution was made. Money deposited as required by this section is exempt from the application of Section 403.095, Government Code.

(f) The commission may [~~grant or~~] loan department money to an authority for the acquisition of land for or the construction, maintenance, or operation of a turnpike project. The commission shall [~~may~~] require the authority to repay money loaned [~~provided~~] under this section. The commission may require the money to be repaid from toll revenue or other sources on terms established by the commission.

SECTION 42. Subchapter A, Chapter 372, Transportation Code, is amended by adding Section 372.002 to read as follows:

Sec. 372.002. REPAYMENT OF MONEY CONTRIBUTED BY DEPARTMENT. (a) A toll project entity shall repay to the department any money contributed by the department as participation in the cost of the entity's toll projects, including money from the state highway fund, the Texas Mobility Fund, or other sources available to the department.

(b) Each year, the department shall:

(1) for each department district, determine the amount of money repaid to the department under Subsection (a) in the previous year that is attributable to projects located in the district; and

(2) in addition to other amounts, allocate to each department district an amount of money equal to the amount determined for the district under Subdivision (1) to be used for transportation projects located in that district.

(c) If a transportation project that was the subject of repayment of department contributions is located in more than one department district, the department may reasonably allocate the repayments from that project between the districts in which the project is located.

(d) Notwithstanding any other law, including Sections 222.103(a), 366.301(c), 370.033(m), and 370.301(c) and (f), a toll project entity is not required to repay:

(1) funds held in a subaccount created under Section 228.012; or

(2) funds contributed by the department for a project if the toll project entity commenced the environmental review process for the project on or before January 1, 2014.

SECTION 43. Subchapter B, Chapter 391, Transportation Code, is amended by adding Sections 391.038 and 391.039 to read as follows:

Sec. 391.038. SIGN HEIGHT. (a) This section applies only to a sign existing on March 1, 2017, that was erected before that date.

(b) A sign described by Subsection (a) may not be higher than 85 feet, excluding a cutout that extends above the rectangular border of the sign, measured:

(1) from the grade level of the centerline of the main-traveled way, not including a frontage road of a controlled access highway, closest to the sign at a point perpendicular to the sign location; or

(2) if the main-traveled way is below grade, from the base of the sign structure.

(c) A person may rebuild a sign described by Subsection (a) without obtaining a new or amended permit from the department, provided that the sign is rebuilt at the same location where the sign existed on March 1, 2017, and at a height that does not exceed the height of the sign on that date.

Sec. 391.039. SPACING REQUIREMENTS IN CERTAIN MUNICIPALITIES. (a) In this section, "electronic sign" means a sign that changes its message or copy by programmable electronic or mechanical processes.

(b) The department, in regulating outdoor advertising located in the corporate boundaries of a municipality with a population of more than 200,000 located in a county on the Texas-Mexico border with a population of less than 300,000, may not require an electronic sign owned by the municipality to be more than 500 feet from another sign.

SECTION 44. Section 550.025(a), Transportation Code, is amended to read as follows:

(a) The operator of a vehicle involved in an accident resulting only in damage to a structure adjacent to a highway or a fixture or landscaping legally on or adjacent to a highway shall:

(1) take reasonable steps to locate and notify the owner or person in charge of the property of the accident and of the operator's name and address and the registration number of the vehicle the operator was driving; and

(2) if requested and available, show the operator's driver's license to the owner or person in charge of the property[~~; and~~

[~~(3) report the accident if required by Section 550.061~~].

SECTION 45. Effective September 1, 2019, Section 550.062(b), Transportation Code, is amended to read as follows:

(b) The report required by Subsection (a) must be filed electronically with the department not later than the 10th day after the date of the accident.

SECTION 46. Section 550.064(b), Transportation Code, is amended to read as follows:

(b) An accident report form prepared by the department must:

(1) require sufficiently detailed information to disclose the cause and conditions of and the persons and vehicles involved in an accident if the form is for the report to be made by a person [~~involved in or~~] investigating the accident;

(2) include a way to designate and identify a peace officer, firefighter, or emergency medical services employee who is involved in an accident while driving a law enforcement vehicle, fire department vehicle, or emergency medical services vehicle while performing the person's duties;

(3) require a statement by a person described by Subdivision (2) as to the nature of the accident; and

(4) include a way to designate whether an individual involved in an accident wants to be contacted by a person seeking to obtain employment as a professional described by Section 38.01(12), Penal Code.

SECTION 47. Section 550.065(a), Transportation Code, is amended to read as follows:

(a) This section applies only to the following information that is held by the department or another governmental entity:

(1) a written report of an accident required under:

(A) Section [~~550.061,~~] 550.062;[~~,~~] or

(B) former Section 550.061 or 601.004 before September 1, 2017; or

(2) accident report information compiled under Section 201.806.

SECTION 48. Section 550.067(c), Transportation Code, is amended to read as follows:

(c) A municipality by ordinance may require the person in charge of a garage or repair shop where a motor vehicle is brought if the vehicle shows evidence of having been involved in an accident described by [~~requiring a report to be filed under~~] Section 550.062(a) [~~550.061 or 550.062~~] or shows evidence of having been struck by a bullet to report to a department of the municipality within 24 hours after the garage or repair shop receives the motor vehicle, giving the engine number, registration number, and the name and address of the owner or operator of the vehicle.

SECTION 49. Section 550.068, Transportation Code, is amended to read as follows:

Sec. 550.068. CHANGING ACCIDENT REPORT. (a) Except as provided by Subsection (b), a change in or a modification of a written report of a motor vehicle accident prepared by a peace officer [~~or the operator of a vehicle involved in an accident~~] that alters a material fact in the report may be made only by the peace officer [~~or person~~] who prepared the report.

(b) A change in or a modification of the written report of the accident may be made by a person other than the peace officer [~~or the operator of the vehicle~~] if:

(1) the change is made by a written supplement to the report; and

(2) the written supplement clearly indicates the name of the person who originated the change.

SECTION 50. Section 601.005, Transportation Code, is amended to read as follows:

Sec. 601.005. EVIDENCE IN CIVIL SUIT. A [~~On the filing of a report under Section 601.004, a~~] person at a trial for damages may not refer to or offer as evidence of the negligence or due care of a party:

(1) an action taken by the department under this chapter;

(2) the findings on which that action is based; or

(3) the security or evidence of financial responsibility filed under this chapter.

SECTION 51. Sections 601.007(b) and (c), Transportation Code, are amended to read as follows:

(b) The provisions of this chapter[~~, other than Section 601.004,~~] do not apply to an officer, agent, or employee of the United States, this state, or a political subdivision of this state while operating a government vehicle in the course of that person's employment.

(c) The provisions of this chapter, other than Section [~~Sections 601.004 and~~] 601.054, do not apply to a motor vehicle that is subject to Chapter 643.

SECTION 52. Section 601.154(c), Transportation Code, is amended to read as follows:

(c) In determining whether there is a reasonable probability that a judgment will be rendered against the person as a result of an accident and the amount of security that is sufficient under Subsection (a), the department may consider:

(1) a report of an investigating officer; and

(2) [~~an accident report of a party involved; and~~

[~~(3)~~] an affidavit of a person who has knowledge of the facts.

SECTION 53. Section 707.004(f), Transportation Code, is amended to read as follows:

(f) Not later than December 1 of each year, the department shall publish on the department's Internet website the information submitted by a local authority under Subsection (d).

SECTION 54. Sections 730.003(4) and (6), Transportation Code, are amended to read as follows:

(4) "Motor vehicle record" means a record that pertains to a motor vehicle operator's or driver's license or permit, motor vehicle registration, motor vehicle title, or identification document issued by an agency of this state or a local agency authorized to issue an identification document. The term does not include:

(A) a record that pertains to a motor carrier; or

(B) an accident report prepared under:

(i) Chapter 550; or

(ii) former Section 601.004 before September 1, 2017 [~~601~~].

(6) "Personal information" means information that identifies a person, including an individual's photograph or computerized image, social security number, driver identification number, name, address, but not the zip code, telephone number, and medical or disability information. The term does not include:

(A) information on vehicle accidents, driving or equipment-related violations, or driver's license or registration status; or

(B) information contained in an accident report prepared under:

(i) Chapter 550; or

(ii) former Section 601.004 before September 1, 2017 [~~601~~].

SECTION 55. Section 2167.001(a), Government Code, is amended to read as follows:

(a) This chapter applies to:

(1) office space;

(2) warehouse space;

(3) laboratory space;

(4) storage space exceeding 1,000 gross square feet;

(5) boat storage space;

(6) aircraft hangar space other than hangar space and adjacent space leased by the Texas Department of Transportation [~~State Aircraft Pooling Board~~] at Austin-Bergstrom International Airport and operated for the purpose of providing air transportation services for the State of Texas;

(7) vehicle parking space; and

(8) a combination of those kinds of space.

SECTION 56. Section 2175.191(c), Government Code, is amended to read as follows:

(c) Proceeds from the sale of surplus and salvage property of the Texas Department of Transportation relating to the department's duties under Chapter 2205 [~~State Aircraft Pooling Board~~] shall be deposited to the credit of the department [~~board~~].

SECTION 57. The heading to Subchapter A, Chapter 2205, Government Code, is amended to read as follows:

SUBCHAPTER A. [~~STATE AIRCRAFT POOLING BOARD;~~] GENERAL PROVISIONS

SECTION 58. Section 2205.002(1), Government Code, is amended to read as follows:

(1) "Department [~~Board~~]" means the Texas Department of Transportation [~~State Aircraft Pooling Board~~].

SECTION 59. Section 2205.012, Government Code, is amended to read as follows:

Sec. 2205.012. STAFF. [~~(a)~~] The department [~~board~~] may employ and compensate staff as provided by legislative appropriation or may use staff provided by the comptroller or the state auditor's office.

[~~(b) The board shall develop and implement policies that clearly define the respective responsibilities of the board and the staff the board uses.~~]

SECTION 60. Section 2205.032, Government Code, is amended to read as follows:

Sec. 2205.032. CUSTODY, CONTROL, OPERATION, AND MAINTENANCE. (a) The department [~~board~~] shall operate a pool for the custody, control, operation, and maintenance of all aircraft owned or leased by the state.

(b) The department [~~board~~] may purchase aircraft with funds appropriated for that purpose.

(c) As part of the strategic plan that the department [~~board~~] develops and submits under Chapter 2056, the department [~~board~~] shall develop a long-range plan for its pool of aircraft. The department [~~board~~] shall include [~~appropriate portions of~~] the long-range plan in the department's [~~its~~] legislative appropriations request if the department identifies the need for additional appropriations and the additional appropriations are related to the department's duties under this chapter. The long-range plan must include:

(1) estimates of future aircraft replacement needs and other fleet management needs, including:

(A) any projected need to increase or decrease the number of aircraft in the pool;

(B) estimates of the remaining useful life for each aircraft in the pool; and

(C) a proposed schedule for replacing aircraft in the pool;

(2) a range of alternatives and scenarios for the number and types of aircraft in the pool;

(3) an analysis of current usage of aircraft in the pool, including customer base and documented rationale for use;

(4) the status of maintenance time and costs and projected future trends regarding maintenance time and costs;

(5) any documented high-risk mechanical issues with aircraft in the pool;

(6) an analysis of the costs and benefits of different methods for meeting air transportation currently provided by the department under Section 2205.036, including:

(A) the potential use of statewide contracts for private charter aircraft services;

(B) increased reliance on commercial carriers for routine travel;

(C) decreasing the number of aircraft in the pool and increasing the use of contracted flight services; and

(D) any other method the department considers feasible; and

(7) an analysis of the impact of including capital recovery costs in the rates the department charges under Section 2205.040 that, at a minimum, includes the impact of those included costs on customer utilization and the department's schedule for replacing aircraft in the pool.

(d) In developing the long-range plan, the department [~~board~~] shall consider at a minimum for each aircraft in the pool:

(1) how much the aircraft is used and the purposes for which the aircraft [~~it~~] is used;

(2) the cost of operating the aircraft and the revenue generated by the aircraft; and

(3) the demand for the aircraft or for that type of aircraft.

(e) The department shall update the long-range plan annually and make the plan available on the department's Internet website.

SECTION 61. Section 2205.034, Government Code, is amended to read as follows:

Sec. 2205.034. FACILITIES. (a) The department [~~board~~] may acquire appropriate facilities for the accommodation of all aircraft owned or leased by the state. The facilities may be purchased or leased as determined by the department [~~board~~] to be most economical for the state and as provided by legislative appropriations. The facilities may include adequate hangar space, an indoor passenger waiting area, a flight-planning area, communications facilities, and other related and necessary facilities.

(b) A state agency that operates an aircraft may not use a facility in Austin other than a facility operated by the department [~~board~~] for the storage, parking, fueling, or maintenance of the aircraft, whether or not the aircraft is based in Austin. In a situation the department [~~board~~] determines to be an emergency, the department [~~board~~] may authorize a state agency to use a facility in Austin other than a department [~~board~~] facility for the storage, parking, fueling, or maintenance of an aircraft.

SECTION 62. Section 2205.035, Government Code, is amended to read as follows:

Sec. 2205.035. AIRCRAFT LEASES. (a) The department [~~board~~] by interagency contract may lease state-owned aircraft to a state agency.

(b) A state agency that is the prior owner or lessee of an aircraft has the first option to lease that aircraft from the department [~~board~~].

(c) The lease may provide for operation or maintenance by the department [~~board~~] or the state agency.

(d) A state agency may not expend appropriated funds for the lease of an aircraft unless the department [~~board~~] executes the lease or approves the lease [~~by board order~~].

(e) A state agency may not use money appropriated by the legislature to rent or lease aircraft except from the department [~~board~~] or as provided by Subsection (f). For purposes of this subsection and Subsection (f), payments of mileage reimbursements provided for by the General Appropriations Act are not rentals or leases of aircraft.

(f) If the department [~~board~~] determines that no state-owned aircraft is available to meet a transportation need that has arisen or that a rental or lease of aircraft would reduce the state's transportation costs, the department [~~board~~] shall authorize a state agency to expend funds for the rental or lease of aircraft, which may include a helicopter.

SECTION 63. Section 2205.036, Government Code, is amended to read as follows:

Sec. 2205.036. PASSENGER TRANSPORTATION. (a) The department [~~board~~] shall provide aircraft transportation, to the extent that its aircraft are available, to:

(1) state officers and employees who are traveling on official business according to the coordinated passenger scheduling system and the priority scheduling system developed as part of the aircraft operations manual under Section 2205.038;

(2) persons in the care or custody of state officers or employees described by Subdivision (1); and

(3) persons whose transportation furthers official state business.

(b) The department [~~board~~] may not provide aircraft transportation to a passenger if the passenger is to be transported to or from a place where the passenger:

(1) will make or has made a speech not related to official state business;

(2) will attend or has attended an event sponsored by a political party;

(3) will perform a service or has performed a service for which the passenger is to receive an honorarium, unless the passenger reimburses the department [~~board~~] for the cost of transportation;

(4) will attend or has attended an event at which money is raised for private or political purposes; or

(5) will attend or has attended an event at which an audience was charged an admission fee to see or hear the passenger.

(c) The department [~~board~~] may not provide aircraft transportation to a destination unless:

(1) the destination is not served by a commercial carrier;

(2) the aircraft transportation is the most cost-effective travel arrangement in accordance with Section 660.007(a) [~~time required to use a commercial carrier interferes with passenger obligations~~]; [~~or~~]

(3) the number of passengers traveling makes the use of a state aircraft cost-effective; or

(4) emergency circumstances necessitate the use of a state aircraft.

(d) Before the executive director of the department or the director's designee may authorize a person to use a state-operated aircraft, the person must sign an affidavit stating that the person is traveling on official state business. On filing of the affidavit, the person may be authorized to use state-operated aircraft for official state business for a period of one year. A member of the legislature is not required to receive any other additional authorization to use a state-operated aircraft.

(e) Before the executive director of the department or the director's designee may authorize an employee of a state agency to use a state-operated aircraft, the administrative head of the state agency must certify that the employee's transportation complies with the requirements of this section.

SECTION 64. Section 2205.038, Government Code, is amended to read as follows:

Sec. 2205.038. AIRCRAFT OPERATIONS MANUAL. (a) The department [~~board~~] shall:

(1) prepare a manual that establishes minimum standards for the operation of aircraft by state agencies; and

(2) adopt procedures for the distribution of the manual to state agencies.

(b) The manual must include provisions for:

(1) pilot certification standards, including medical requirements for pilots;

(2) recurring training programs for pilots;

(3) general operating and flight rules;

(4) coordinated passenger scheduling; and

(5) other issues the department [~~board~~] determines are necessary to ensure the efficient and safe operation of aircraft by a state agency.

(c) The department [~~board~~] shall confer with and solicit the written advice of state agencies the department [~~board~~] determines are principal users of aircraft operated by the department [~~board~~] and, to the extent practicable, incorporate that advice in the development of the manual and subsequent changes to the manual.

(d) The department [~~board~~] shall give an officer normally elected by statewide election priority in the scheduling of aircraft. The department [~~board~~] by rule may require a 12-hour notice by the officer to obtain the priority in scheduling.

SECTION 65. Section 2205.039, Government Code, is amended to read as follows:

Sec. 2205.039. TRAVEL LOG. (a) The Legislative Budget Board, in cooperation with the department [~~board~~], shall prescribe:

(1) a travel log form for gathering information about the use of state-operated aircraft;

(2) procedures to ensure that individuals who travel as passengers on or operate state-operated aircraft provide in a legible manner the information requested of them by the form; and

(3) procedures for each state agency that operates an aircraft for sending the form to the department [~~board~~] and the Legislative Budget Board.

(b) The travel log form must request the following information about a state-operated aircraft each time the aircraft is flown:

(1) a mission statement, which may appear as a selection to be identified from general categories appearing on the form;

(2) the name, state agency represented, destination, and signature of each person who is a passenger or crew member of the aircraft;

(3) the date of each flight;

(4) a detailed and specific description of the official business purpose of each flight; and

(5) other information determined by the Legislative Budget Board and the department [~~board~~] to be necessary to monitor the proper use of the aircraft.

(c) A state agency other than the department [~~Texas Department of Transportation~~] shall send the agency's travel logs to the department on an annual basis. An agency is not required to file a travel log with the department if the agency did not operate an aircraft during the period covered by the travel log.

SECTION 66. Section 2205.040, Government Code, is amended to read as follows:

Sec. 2205.040. RATES AND BILLING PROCEDURES; ACCOUNT FOR CAPITAL REPLACEMENT COSTS. (a) Subject to Subsection (b), the department [~~The board~~] shall adopt rates for interagency aircraft services that are sufficient to recover, in the aggregate and to the extent possible, all direct costs for the services provided, including a state agency's pro rata share of major maintenance, overhauls of equipment and facilities, and pilots' salaries.

(b) If the department's most recent long-term plan contains an analysis under Section 2205.032(c)(7) that finds that including capital recovery costs in the rates the department charges under this section is a practicable fleet replacement strategy, the department may adopt rates for interagency aircraft services provided by the department that are sufficient to recover, in the aggregate and to the extent possible:

(1) all direct costs for services provided, as provided by Subsection (a); and

(2) the capital costs of replacing aircraft in the pool.

(c) The Legislative Budget Board, in cooperation with the department [~~board~~] and the state auditor, shall prescribe a billing procedure for passenger travel on state-operated aircraft.

(d) If the department adopts rates under Subsection (b), the portion of the rates collected for the capital costs of replacing aircraft in the pool shall be deposited in a separate account in the state highway fund. Money in the account may be used only for the acquisition of aircraft for the pool operated by the department under Section 2205.032.

SECTION 67. Section 2205.041, Government Code, is amended to read as follows:

Sec. 2205.041. AIRCRAFT USE FORM. (a) The department [~~Texas Department of Transportation~~] shall prescribe:

(1) an annual aircraft use form for gathering information about the use of state-operated aircraft, including the extent to which and the methods by which the goal provided by Section 2205.031(b) is being met; and

(2) procedures for each state agency that operates an aircraft for sending the form to the department.

(b) The aircraft use form must request the following information about each aircraft a state agency operates:

(1) a description of the aircraft;

(2) the date purchased or leased and the purchase price or lease cost;

(3) the number of annual hours flown;

(4) the annual operating costs;

(5) the number of flights and the destinations;

(6) the travel logs prepared under Section 2205.039; and

(7) any other information the department [~~Texas Department of Transportation~~] requires to document the proper or cost-efficient use of the aircraft.

SECTION 68. Section 2205.042, Government Code, is amended to read as follows:

Sec. 2205.042. PILOTS. An individual who is not a pilot employed by the department [~~board~~] may not operate a state-operated aircraft unless the department [~~board~~] grants the individual a specific exemption from that requirement.

SECTION 69. Section 2205.043(b), Government Code, is amended to read as follows:

(b) The department [~~board~~] shall adopt rules, consistent with federal regulations and Section 3101.001, governing the color, size, and location of marks of identification required by this section.

SECTION 70. Section 2205.044, Government Code, is amended to read as follows:

Sec. 2205.044. FUEL AND MAINTENANCE CONTRACTS. The department [~~board~~] may contract with a state or federal governmental agency or a political subdivision to provide aircraft fuel or to provide aircraft maintenance services.

SECTION 71. Section 2205.045(a), Government Code, is amended to read as follows:

(a) The department [~~board~~] may purchase insurance to protect the department [~~board~~] from loss caused by damage, loss, theft, or destruction of aircraft owned or leased by the state and shall purchase liability insurance to protect the officers and employees of each state agency from loss arising from the operation of state-owned aircraft.

SECTION 72. Section 2205.046, Government Code, is amended to read as follows:

Sec. 2205.046. AIRCRAFT FOR FLIGHT TRAINING PROGRAMS. (a) The department [~~board~~] may transfer aircraft to a public technical institute or other public postsecondary educational institution for use in the institution's flight training program. Except as provided by this section, the department [~~board~~] has no responsibility for continued maintenance of aircraft transferred under this section.

(b) As a condition to the transfer of the aircraft, the institution must certify in writing to the department [~~board~~] that the institution will accept full responsibility for maintenance of the aircraft and that it will be properly maintained while in the custody and control of the institution. The department [~~board~~] is entitled to inspect the aircraft without notice for the purpose of ensuring [~~insuring~~] that the aircraft is [~~are~~] properly maintained.

(c) The department [~~board~~] may immediately reassume custody and control of a transferred aircraft on a finding by the department [~~board~~] that:

(1) the aircraft is not being properly maintained;

(2) the aircraft is being used for a purpose other than flight training; or

(3) the institution has discontinued its flight training program.

SECTION 73. Section 2205.047, Government Code, is amended to read as follows:

Sec. 2205.047. INFORMATION POSTED ON THE INTERNET. The department [~~board~~] shall post information related to travel and other services provided by the department [~~board~~] on an Internet website [~~site~~] maintained by or for the department [~~board~~]. The site must be generally accessible to state agencies, persons who use the department's [~~board's~~] services, and, to the extent appropriate, the general public.

SECTION 74. The following provisions are repealed:

(1) Sections 2205.003, 2205.004, 2205.005, 2205.006, 2205.007, 2205.008, 2205.009, 2205.010, 2205.011, 2205.013, 2205.014, 2205.015, and 2205.017, Government Code; and

(2) Sections 201.404(b-2), 228.054(b) and (c), 228.055(a), (b), (c), (f), (g), (h), and (i), 228.201(b), 550.061, and 601.004, Transportation Code.

SECTION 75. (a) Except as provided by Subsection (b) of this section, Section 201.059, Transportation Code, as amended by this Act, applies to a member of the Texas Transportation Commission appointed before, on, or after the effective date of this Act.

(b) A member of the Texas Transportation Commission who, before the effective date of this Act, completed the training program required by Section 201.059, Transportation Code, as that law existed before the effective date of this Act, is only required to complete additional training on the subjects added by this Act to the training program as required by Section 201.059, Transportation Code, as amended by this Act. A member of the commission described by this subsection may not vote, deliberate, or be counted as a member in attendance at a meeting of the commission held on or after December 1, 2017, until the member completes the additional training.

SECTION 76. The changes in law made by this Act in amending Sections 222.103, 366.301, 370.033, and 370.301, Transportation Code, and adding Section 372.002, Transportation Code, apply only to a loan, grant, or other contribution made by the Texas Department of Transportation or the Texas Transportation Commission on or after the effective date of this Act. A loan, grant, or other contribution made before the effective date of this Act is governed by the law in effect on the date the loan, grant, or other contribution is made, and the former law is continued in effect for that purpose.

SECTION 77. Section 223.051, Transportation Code, as added by this Act, applies only in relation to a contract for which the request for bids or proposals or other applicable expression of interest is made public on or after the effective date of this Act.

SECTION 78. (a) The repeal by this Act of Sections 228.201(a)(5) and (b), Transportation Code, does not apply to a highway or segment of a highway being operated as a toll project by the Texas Department of Transportation, or an entity under contract with the department, before September 1, 2017, or to a project included in the state's air quality state implementation plan before September 1, 2017. A highway or segment of a highway being operated as a toll project by the department, or an entity under contract with the department, before September 1, 2017, or a project included in the state's air quality state implementation plan before September

1, 2017, is governed by Subchapter E, Chapter 228, Transportation Code, as it existed immediately before that date, and the former law is continued in effect for that purpose.

(b) Section 228.201(c), Transportation Code, as added by this Act, applies only to a highway reconstruction in accordance with Section 228.201(a)(3), Transportation Code, that is begun on or after the effective date of this Act. A reconstruction begun before the effective date of this Act is governed by the law in effect when the reconstruction began, and the former law is continued in effect for that purpose.

SECTION 79. The changes in law made by this Act to the law regarding toll collection procedures and billing apply only to a toll incurred on or after March 1, 2018. A toll incurred before March 1, 2018, is governed by the law in effect on the date the toll was incurred, and the former law is continued in effect for that purpose.

SECTION 80. (a) Not later than October 1, 2017, the Texas Department of Transportation shall develop the procedures required under Section 223.051, Transportation Code, as added by this Act.

(b) Not later than March 1, 2018, the Texas Department of Transportation shall:

(1) complete a review and update of the long-term transportation goals contained in the statewide transportation plan under Section 201.601, Transportation Code, and make any changes to the statewide transportation plan that are necessary to implement the change in law made by this Act to Section 201.601, Transportation Code, including adopting specific and clearly defined transportation system strategies, long-term transportation goals for the state and measurable targets for each goal, and other related performance measures, to ensure that the department uses a single set of transportation goals in all of the department's transportation plans and policy efforts;

(2) make any changes to each of the department's transportation plans and policy efforts that are necessary to implement the change in law made by this Act to Section 201.6015, Transportation Code;

(3) develop the plan required by Section 201.807(g)(3), Transportation Code, as added by this Act;

(4) develop and publish on the department's Internet website the dashboard required by Section 201.8075, Transportation Code, as added by this Act; and

(5) implement the recommended management actions contained in Issue 4 of the Sunset Advisory Commission Staff Report for the Texas Department of Transportation, 85th Legislature, that were approved by the Sunset Advisory Commission.

(c) Not later than September 1, 2018, the Texas Department of Transportation shall adopt the first long-range plan containing the information required by Section 2205.032(c), Government Code, as amended by this Act.

(d) Not later than September 1, 2018, the Texas Transportation Commission shall:

(1) adopt the rules required by Sections 201.807(h), 201.991(b-1), 201.998(f), and 201.9992, Transportation Code, as added by this Act, and Section 223.012, Transportation Code, as amended by this Act; and

(2) adopt or modify any rules necessary to implement the changes in law made by this Act to Sections 201.807, 201.991, and 201.998, Transportation Code.

SECTION 81. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 312** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 303

Senator Watson submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 303** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WATSON	S. THOMPSON
TAYLOR OF COLLIN	GONZALES
NICHOLS	RAYMOND
SCHWERTNER	SMITHEE
HUGHES	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the continuation and functions of the Board of Law Examiners.

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

SECTION 1. Section 82.001(b), Government Code, is amended to read as follows:

(b) The supreme court shall appoint the members of the board for staggered six-year terms, with the terms of one-third of the members expiring May [~~August~~] 31 of each odd-numbered year. A member is subject to removal by the supreme court as provided by Section 82.0021.

SECTION 2. Section 82.006, Government Code, is amended to read as follows:

Sec. 82.006. SUNSET PROVISION. The Board of Law Examiners is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished September 1, 2029 [~~2017~~].

SECTION 3. Section 82.0073, Government Code, is amended to read as follows:

Sec. 82.0073. SEPARATION OF RESPONSIBILITIES; DELEGATION. (a) The Board of Law Examiners shall develop and implement policies that clearly separate the policymaking responsibilities of the board and the management responsibilities of the executive director and the staff of the board.

(b) Subject to supreme court rules, the Board of Law Examiners may delegate routine decisions to the executive director of the board, including waiver requests.

SECTION 4. Section 82.010, Government Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The training program must provide the person with information regarding:

(1) the law governing board operations [~~legislation that created the board~~];

(2) the programs, functions, rules, and budget of [~~operated by~~] the board;

(3) [~~the role and functions of the board;~~

[~~(4) the rules of the board, with an emphasis on the rules that relate to disciplinary and investigatory authority;~~

[~~(5) the current budget for the board;~~

[~~(6)~~] the results of the most recent formal audit of the board;

(4) [~~(7)~~] the requirements of:

(A) laws relating to [~~the~~] open meetings, [~~law, Chapter 551;~~

[~~(B) the~~] public information, [~~law, Chapter 552;~~

[~~(C) the~~] administrative procedure, and disclosing conflicts of interest [~~law, Chapter 2001~~]; and

(B) [~~(D)~~] other laws applicable to members of a state policymaking body in performing their duties [~~relating to public officials, including conflict of interest laws~~]; and

(5) [~~(8)~~] any applicable ethics policies adopted by the board or the Texas Ethics Commission.

(c) The executive director of the Board of Law Examiners shall create a training manual that includes the information required by Subsection (b). The executive director shall distribute a copy of the training manual annually to each member of the board. On receipt of the training manual, each member of the board shall sign and submit to the executive director a statement acknowledging receipt of the training manual.

SECTION 5. Section 82.022, Government Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) In adopting rules on eligibility for examination for a license to practice law, the supreme court shall ensure that no rule violates Chapter 110, Civil Practice and Remedies Code.

SECTION 6. Sections 82.023(b), (c), and (e), Government Code, are amended to read as follows:

(b) The form for the declaration must clearly identify those conditions of character and fitness [~~set out in Section 82.027~~] that may be investigated by the board and that may result in the denial of the declarant's application to take the examination.

(c) The board shall notify each first-year law student who files the declaration not later than the date established by supreme court rule [~~on or before January 1 of the year in which the student begins law school, not later than August 1 of the following year,~~] of the board's decision as to the student's acceptable character and fitness. The board shall notify all other declarants not later than the date established by supreme court rule [~~not later than the 270th day after the date the declaration was filed~~] whether or not it has determined that the declarant has acceptable character and fitness.

(e) If the board determines that an applicant may suffer from chemical dependency, the board shall require the applicant to meet with representatives of the Lawyers' Assistance Program of the State Bar of Texas or a similar program of the state bar and may require the applicant to submit to [~~a treatment facility for~~] evaluation by a licensed mental health professional designated by this board. The board may seek advice and consultation from the Lawyers' Assistance Program of the State Bar of Texas or a similar program of the state bar in designating mental health professionals qualified to conduct evaluations of declarants who may suffer from chemical dependency.

SECTION 7. Sections 82.027(a), (b), and (c), Government Code, are amended to read as follows:

(a) Each applicant to take a bar examination must file an application with the Board of Law Examiners not later than the date established by supreme court rule and pay the fee established by supreme court rule [~~not later than the 180th day before the first day of the examination for which the person is applying~~].

(b) The application must include a statement certifying [~~consists of a verified affidavit stating~~] that since the filing of the applicant's original declaration of intention to study law, the applicant:

(1) has not been formally charged with any violation of law, excluding:

(A) cases that have been dismissed for reasons other than technical defects in the charging instrument;

(B) cases in which the applicant has been found not guilty;

(C) minor traffic violations;

(D) cases in which the record of arrest or conviction was expunged by court order;

(E) pardoned offenses; and

(F) Class C misdemeanors;

(2) [~~is not mentally ill;~~

[~~(3)~~] has not been charged with fraud in any legal proceeding; and

(3) [~~(4)~~] has not been involved in civil litigation or bankruptcy proceedings that reasonably bear on the applicant's fitness to practice law.

(c) On a showing of good cause or to prevent hardship, the board may permit an applicant to file an application with the board not later than the date established by supreme court rule [~~not later than the 60th day after the deadline prescribed by Subsection (a)~~] on payment of applicable late fees established by supreme court rule.

SECTION 8. Sections 82.030(a) and (c), Government Code, are amended to read as follows:

(a) The Board of Law Examiners shall assess each applicant's moral character and fitness based on:

(1) the investigation of character and fitness performed after the filing of the declaration of intention to study law; and

(2) the filing of the application [~~affidavit~~] required by Section 82.027 and the board's investigation into the accuracy and completeness of the application [~~affidavit~~].

(c) If the board determines that an applicant may suffer from chemical dependency, the board shall require the applicant to submit to [~~a treatment facility for~~] evaluation by a licensed mental health professional designated by the board. The board may seek advice and consultation from the Lawyers' Assistance Program of the State Bar of Texas or a similar program of the state bar in designating mental health professionals qualified to conduct evaluations of applicants who may suffer from chemical dependency.

SECTION 9. Section 82.033(d), Government Code, is amended to read as follows:

(d) The supreme court may set reasonable fees for additional services provided by the board, but the fee for any single additional service, other than the late fee for an examination application, may not exceed $150.

SECTION 10. Subchapter B, Chapter 82, Government Code, is amended by adding Section 82.039 to read as follows:

Sec. 82.039. LICENSING GUIDELINES. (a) To assist the Board of Law Examiners in making consistent and fair determinations related to the licensing of attorneys in this state, the board shall develop specific guidelines for:

(1) determining the moral character and fitness of license applicants;

(2) overseeing probationary license holders; and

(3) granting waiver requests.

(b) The Board of Law Examiners shall develop the guidelines required under Subsection (a) based on the board's past decisions and on any other criteria the board considers necessary. The board is not required to take any specific action provided in the guidelines.

SECTION 11. Sections 82.023(g) and 82.030(f), Government Code, are repealed.

SECTION 12. Section 82.001, Government Code, as amended by this Act, applies only to members appointed to the Board of Law Examiners on or after September 1, 2017.

SECTION 13. (a) Except as provided by Subsection (b) of this section, Section 82.010, Government Code, as amended by this Act, applies to a member of the Board of Law Examiners appointed before, on, or after the effective date of this Act.

(b) A member of the Board of Law Examiners who, before the effective date of this Act, completed the training program required by Section 82.010, Government Code, as that law existed before the effective date of this Act, is required to complete additional training only on subjects added by this Act to the training program as required by Section 82.010, Government Code, as amended by this Act. A board member described by this subsection may not vote, deliberate, or be counted as a member in attendance at a meeting of the board held on or after December 1, 2017, until the member completes the additional training.

SECTION 14. As soon as practicable after the effective date of this Act, the Texas Supreme Court shall modify the rules necessary to implement the changes in license application requirements made under Section 82.027, Government Code, as amended by this Act.

SECTION 15. Section 82.027, Government Code, as amended by this Act, applies only to an application to take the state bar examination that is submitted to the Board of Law Examiners on or after September 1, 2017.

SECTION 16. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 303** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 416

Senator Watson submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 416** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WATSON	SMITHEE
NELSON	S. THOMPSON
HUGHES	LAUBENBERG
HUFFMAN	FARRAR
WEST	MURR
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the composition of the board of directors of the State Bar of Texas.

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

SECTION 1. Section 81.020, Government Code, is amended by amending Subsections (b) and (d) and adding Subsection (e) to read as follows:

(b) The board is composed of:

(1) the officers of the state bar;

(2) the president, president-elect, and immediate past president of the Texas Young Lawyers Association;

(3) not more than 30 members of the state bar elected by the membership from their district as determined by the board;

(4) six persons appointed by the supreme court and confirmed by the senate who are not attorneys and who do not have, other than as consumers, a financial interest in the practice of law; and

(5) four at-large [~~minority member~~] directors appointed by the president as provided by Subsections [~~Subsection~~] (d) and (e).

(d) The president of the state bar appoints the at-large [~~minority member~~] directors, subject to confirmation by the board of directors. In making appointments under this subsection, the president shall [~~attempt to~~] appoint directors who demonstrate knowledge gained from experience in the legal profession and community necessary to ensure the board represents the interests of attorneys from the varied backgrounds that compose the membership of the state bar [~~members of the different minority groups listed in Section 81.002(7)~~].

(e) At-large [~~Minority member~~] directors serve three-year terms. To be eligible for appointment as an at-large [~~a minority member~~] director, at the time of appointment a person may [~~must:~~

[~~(1) be a minority member of the bar;~~

[~~(2)~~] not be serving as:

(1) an elected director [~~at the time of appointment~~]; or

(2) an at-large [~~and~~

[~~(3) not be serving as a minority member~~] director [~~at the time of appointment~~].

SECTION 2. Section 81.002(7), Government Code, is repealed.

SECTION 3. Notwithstanding Section 81.020, Government Code, as amended by this Act, a minority member serving on the board of directors of the State Bar of Texas on the effective date of this Act continues to serve the term to which the director was appointed. On expiration of the director's term, the president of the State Bar of Texas shall appoint an at-large director as required by Section 81.020, Government Code, as amended by this Act.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 416** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2639

Senator Buckingham submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2639** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

BUCKINGHAM	PICKETT
CREIGHTON	P. KING
HUGHES	DALE
BURTON	GUTIERREZ
	WILSON
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2639** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1329

Senator Huffman submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1329** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HUFFMAN	SMITHEE
HINOJOSA	HERNANDEZ
NELSON	PARKER
SCHWERTNER	SCHOFIELD
ZAFFIRINI	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the operation and administration of and practice in courts in the judicial branch of state government; increasing a fee.

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

ARTICLE 1. JURISDICTION OF ASSOCIATE JUDGES

SECTION 1.01. Section 101.034, Family Code, as effective until September 1, 2018, is amended to read as follows:

Sec. 101.034. TITLE IV-D CASE. "Title IV-D case" means an action in which services are provided by the Title IV-D agency under Part D, Title IV, of the federal Social Security Act (42 U.S.C. Section 651 et seq.), relating to the location of an absent parent, determination of parentage, or establishment, modification, or enforcement of a child support or medical support obligation, including a suit for

modification filed by the Title IV-D agency under Section 231.101(d) and any other action relating to the services that the Title IV-D agency is required or authorized to provide under Section 231.101.

SECTION 1.02. Section 101.034, Family Code, as effective on September 1, 2018, is amended to read as follows:

Sec. 101.034. TITLE IV-D CASE. "Title IV-D case" means an action in which services are provided by the Title IV-D agency under Part D, Title IV, of the federal Social Security Act (42 U.S.C. Section 651 et seq.), relating to the location of an absent parent, determination of parentage, or establishment, modification, or enforcement of a child support, medical support, or dental support obligation, including a suit for modification filed by the Title IV-D agency under Section 231.101(d) and any other action relating to the services that the Title IV-D agency is required or authorized to provide under Section 231.101.

SECTION 1.03. (a) Section 201.007, Family Code, is amended by amending Subsections (a) and (c) and adding Subsection (e) to read as follows:

(a) Except as limited by an order of referral, an associate judge may:

(1) conduct a hearing;

(2) hear evidence;

(3) compel production of relevant evidence;

(4) rule on the admissibility of evidence;

(5) issue a summons for:

(A) the appearance of witnesses; and

(B) the appearance of a parent who has failed to appear before an agency authorized to conduct an investigation of an allegation of abuse or neglect of a child after receiving proper notice;

(6) examine a witness;

(7) swear a witness for a hearing;

(8) make findings of fact on evidence;

(9) formulate conclusions of law;

(10) recommend an order to be rendered in a case;

(11) regulate all proceedings in a hearing before the associate judge;

(12) order the attachment of a witness or party who fails to obey a subpoena;

(13) order the detention of a witness or party found guilty of contempt, pending approval by the referring court as provided by Section 201.013;

(14) without prejudice to the right to a de novo hearing before the referring court [~~of appeal~~] under Section 201.015 and subject to Subsection (c), render and sign:

(A) a final order agreed to in writing as to both form and substance by all parties;

(B) a final default order;

(C) a temporary order; or

(D) a final order in a case in which a party files an unrevoked waiver made in accordance with Rule 119, Texas Rules of Civil Procedure, that waives notice to the party of the final hearing or waives the party's appearance at the final hearing;

(15) take action as necessary and proper for the efficient performance of the associate judge's duties; and

(16) render and sign a final order if the parties waive [~~that includes a waiver of~~] the right to a de novo hearing before the referring court under [~~of appeal pursuant to~~] Section 201.015 in writing before the start of a hearing conducted by the associate judge.

(c) A final order described by Subsection (a)(14) becomes final after the expiration of the period described by Section 201.015(a) if a party does not request a de novo hearing in accordance with that section. An order described by Subsection (a)(14) or (16) that is rendered and signed by an associate judge constitutes an order of the referring court.

(e) An order signed before May 1, 2017, by an associate judge under Subsection (a)(16) is a final order rendered as of the date the order was signed.

(b) Section 201.013(b), Family Code, is amended to read as follows:

(b) Except as provided by Section 201.007(c), if a request for a de novo hearing before the referring court is not timely filed [~~or the right to a de novo hearing before the referring court is waived~~], the proposed order or judgment of the associate judge becomes the order or judgment of the referring court only on the referring court's signing the proposed order or judgment.

(c) Section 201.014(a), Family Code, is amended to read as follows:

(a) Except as otherwise provided in this subchapter, unless [~~Unless~~] a party files a written request for a de novo hearing before the referring court, the referring court may:

(1) adopt, modify, or reject the associate judge's proposed order or judgment;

(2) hear further evidence; or

(3) recommit the matter to the associate judge for further proceedings.

(d) Section 201.016(c), Family Code, is amended to read as follows:

(c) The date an agreed order, [~~or~~] a default order, or a final order described by Section 201.007(a)(16) is signed by an associate judge is the controlling date for the purpose of an appeal to, or a request for other relief relating to the order from, a court of appeals or the supreme court.

(e) The change in law made by this section to Section 201.007(a), Family Code, applies only to a final order signed by an associate judge on or after the effective date of this Act.

(f) Notwithstanding Subsection (a) of this section, Section 201.007(e), Family Code, as added by this Act, applies to an order signed by an associate judge under Section 201.007(a)(16), Family Code, before May 1, 2017. The legislature ratifies such an order.

SECTION 1.04. Section 201.204, Family Code, is amended by adding Subsection (d) to read as follows:

(d) An associate judge may hear and render an order in a suit for the adoption of a child for whom the Texas Department of Family and Protective Services has been named managing conservator.

ARTICLE 2. DISTRICT COURTS

SECTION 2.01. (a) Effective September 1, 2018, Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.597 to read as follows:

Sec. 24.597. 453RD JUDICIAL DISTRICT (HAYS COUNTY). The 453rd Judicial District is composed of Hays County.

(b) The 453rd Judicial District is created on September 1, 2018.

SECTION 2.02. (a) Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.6002 to read as follows:

Sec. 24.6002. 458TH JUDICIAL DISTRICT (FORT BEND COUNTY). The 458th Judicial District is composed of Fort Bend County.

(b) The 458th Judicial District is created on September 1, 2017.

SECTION 2.03. (a) Effective October 1, 2017, Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.6003 to read as follows:

Sec. 24.6003. 459TH JUDICIAL DISTRICT (TRAVIS COUNTY). (a) The 459th Judicial District is composed of Travis County.

(b) The 459th District Court shall give preference to civil matters.

(b) The 459th Judicial District is created on October 1, 2017.

SECTION 2.04. (a) Effective October 1, 2019, Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.6004 to read as follows:

Sec. 24.6004. 460TH JUDICIAL DISTRICT (TRAVIS COUNTY). (a) The 460th Judicial District is composed of Travis County.

(b) The 460th District Court shall give preference to criminal matters.

(b) The 460th Judicial District is created on October 1, 2019.

SECTION 2.05. (a) Effective January 1, 2019, Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.6006 to read as follows:

Sec. 24.6006. 462ND JUDICIAL DISTRICT (DENTON COUNTY). The 462nd Judicial District is composed of Denton County.

(b) The 462nd Judicial District is created on January 1, 2019.

SECTION 2.06. (a) Effective January 1, 2019, Subchapter C, Chapter 24, Government Code, is amended by adding Section 24.6008 to read as follows:

Sec. 24.6008. 464TH JUDICIAL DISTRICT (HIDALGO COUNTY). The 464th Judicial District is composed of Hidalgo County.

(b) The 464th Judicial District is created on January 1, 2019.

ARTICLE 3. STATUTORY COUNTY COURTS

SECTION 3.01. (a) Effective January 1, 2018, Section 25.0811, Government Code, is amended to read as follows:

Sec. 25.0811. FORT BEND COUNTY. Fort Bend County has the following statutory county courts:

(1) County Court at Law No. 1 of Fort Bend County;
(2) County Court at Law No. 2 of Fort Bend County;
(3) County Court at Law No. 3 of Fort Bend County;
(4) County Court at Law No. 4 of Fort Bend County; [~~and~~]
(5) County Court at Law No. 5 of Fort Bend County; and
(6) County Court at Law No. 6 of Fort Bend County.

(b) The County Court at Law No. 6 of Fort Bend County is created on January 1, 2018.

SECTION 3.02. (a) Effective October 1, 2017, Subchapter C, Chapter 25, Government Code, is amended by adding Sections 25.0951 and 25.0952 to read as follows:

Sec. 25.0951. GRIMES COUNTY. Grimes County has one statutory county court, the County Court at Law of Grimes County.

Sec. 25.0952. GRIMES COUNTY COURT AT LAW PROVISIONS. (a) In addition to the jurisdiction provided by Section 25.0003 and other law, a county court at law in Grimes County has concurrent jurisdiction with the district court in family law cases and proceedings.

(b) The judge of the county court at law shall be paid an annual salary set by the commissioners court in an amount that is at least equal to the amount that is $1,000 less than the total annual salary, including contributions and supplements, received by a district judge in the county. The salary shall be paid by the county treasurer by order of the commissioners court.

(c) The judge of the county court at law is entitled to travel expenses and necessary office expenses, including administrative and clerical assistance, in the same manner as the district judge.

(d) The judge of a county court at law may not engage in the private practice of law.

(e) The district clerk serves as clerk of a county court at law for family cases and proceedings, and the county clerk serves as clerk for all other cases. The commissioners court may employ as many deputy sheriffs and bailiffs as are necessary to serve the court.

(f) If a case or proceeding in which a county court at law has concurrent jurisdiction with a district court is tried before a jury, the jury shall be composed of 12 members. In all other cases, the jury shall be composed of six members.

(g) The judge of a county court at law may, instead of appointing an official court reporter, contract for the services of a court reporter under guidelines established by the commissioners court.

(h) The laws governing the drawing, selection, service, and pay of jurors for county courts apply to a county court at law. Jurors regularly impaneled for a week by the district court may, on a request of a judge of the county court at law, be made available and shall serve for the week in a county court at law.

(i) A county court at law has the same terms of court as a district court in Grimes County.

(b) The County Court at Law of Grimes County is created on October 1, 2017.

SECTION 3.03. (a) Effective October 1, 2018, Section 25.1071, Government Code, is amended to read as follows:

Sec. 25.1071. HAYS COUNTY. Hays County has the following statutory county courts:

(1) the County Court at Law No. 1 of Hays County; [~~and~~]

(2) the County Court at Law No. 2 of Hays County; and

(3) the County Court at Law No. 3 of Hays County.

(b) The County Court at Law No. 3 of Hays County is created on October 1, 2018.

SECTION 3.04. Sections 25.2382(a), (g), (h), and (k), Government Code, are amended to read as follows:

(a) In addition to the jurisdiction provided by Section 25.0003 and other law, a county court at law in Walker County has concurrent jurisdiction with the district court in[~~:~~

[~~(1)~~] family law cases and proceedings[~~; and~~

[~~(2) cases and proceedings involving justiciable controversies and differences between spouses, between parents, or between parent and child, or between any of these and third persons~~].

(g) The district clerk serves as clerk of a county court at law in family law cases and proceedings [~~the cases enumerated in Subsections (a)(2)(B) and (C)~~], and the county clerk serves as clerk of the court in all other matters. The commissioners court may employ as many deputy sheriffs and bailiffs as are necessary to serve a county court at law.

(h) The judge of a county court at law shall set the [~~may, instead of appointing an~~] official court reporter's salary at an amount that does not exceed the salary of an official court reporter for a district court [~~reporter, contract for the services of a court reporter under guidelines established by the commissioners court~~].

(k) All cases appealed from the justice courts and other courts of inferior jurisdiction in the county shall be made directly [~~direct~~] to a county court at law, unless otherwise provided by law.

SECTION 3.05. Section 25.2382(e), Government Code, is repealed.

ARTICLE 4. JUDICIAL OATHS

SECTION 4.01. Chapter 602, Government Code, is amended by adding Section 602.007 to read as follows:

Sec. 602.007. FILING OF OATH MADE BY CERTAIN JUDICIAL OFFICERS AND JUDICIAL APPOINTEES. The oath made and signed statement executed as required by Section 1, Article XVI, Texas Constitution, by any of the following judicial officers and judicial appointees shall be filed with the secretary of state:

(1) an officer appointed by the supreme court, the court of criminal appeals, or the State Bar of Texas; and

(2) an associate judge appointed under Subchapter B or C, Chapter 201, Family Code.

ARTICLE 5. JUDICIAL PERSONNEL AND OFFICIALS

SECTION 5.01. Section 51.006, Government Code, is amended to read as follows:

Sec. 51.006. FEE FOR ATTORNEY'S LICENSE OR CERTIFICATE. The clerk shall collect a fee of $25 [~~$10~~] for the issuance of an attorney's license or certificate affixed with a seal. The fee shall be held by the clerk and expended by the supreme court or under the direction of the court for the preparation and issuance, including mailing, of the license or certificate.

ARTICLE 6. BAILIFFS

SECTION 6.01. Section 53.001, Government Code, is amended by adding Subsections (k) and (l) to read as follows:

(k) The judges of the 244th, 358th, and 446th district courts shall each appoint a bailiff.

(l) The judge of the 271st District Court and the judges of the county courts at law in Wise County shall each appoint a bailiff.

SECTION 6.02. Section 53.004, Government Code, is amended by amending Subsection (a) and adding Subsections (h) and (i) to read as follows:

(a) A bailiff in the 34th or [~~, 70th,~~] 71st[~~, or 161st~~] district court must be a resident of the county in which the bailiff serves the court and must be at least 18 years old.

(h) A bailiff in the 70th, 161st, 244th, or 358th district court must be:

(1) a resident of the county in which the bailiff serves the court;

(2) at least 18 years of age; and

(3) a citizen of the United States.

(i) A bailiff in the 271st District Court or a county court at law in Wise County must be:

(1) at least 21 years of age; and

(2) a citizen of the United States.

SECTION 6.03. Section 53.007(a), Government Code, is amended to read as follows:

(a) This section applies to:

(1) the 34th, 70th, 71st, 86th, 97th, 130th, 142nd, 161st, 238th, 244th, 318th, 341st, 355th, 358th, [~~and~~] 385th, and 446th district courts;

(2) the County Court of Harrison County;

(3) the criminal district courts of Tarrant County;

(4) the district courts in Taylor County;

(5) the courts described in Section 53.002(c), (d), (e), or (f);

(6) the county courts at law of Taylor County;

(7) the district courts in Tarrant County that give preference to criminal cases; and

(8) the 115th District Court in Upshur County.

SECTION 6.04. Section 53.0071, Government Code, is amended to read as follows:

Sec. 53.0071. BAILIFF AS PEACE OFFICER. Unless the appointing judge provides otherwise in the order of appointment, a bailiff appointed under Section 53.001(b), [~~or~~] (g), or (k) or 53.002(c), (e), or (f) is a "peace officer" for purposes of Article 2.12, Code of Criminal Procedure.

SECTION 6.05. Section 53.008, Government Code, is amended to read as follows:

Sec. 53.008. OATH. The bailiffs of the 34th, 70th, 86th, 97th, 130th, 142nd, 161st, 238th, 244th, 271st, 318th, 341st, 355th, 358th, [~~and~~] 385th, and 446th district courts, the bailiffs of the courts described in Section 53.002(c), (d), (e), or (f), the bailiffs and the grand jury bailiffs of the district courts in Tarrant County that give preference to criminal cases, the bailiffs and grand jury bailiffs of the criminal district courts in Tarrant County, the bailiffs of the district courts in Taylor County, [~~and~~] the bailiffs of the county courts at law of Taylor County, and the bailiffs of the county

courts at law of Wise County shall each swear to the following oath, to be administered by the judge: "I solemnly swear that I will faithfully and impartially perform all duties as may be required of me by law, so help me God."

SECTION 6.06. Section 53.009, Government Code, is amended by adding Subsection (o) to read as follows:

(o) Each bailiff appointed by the judge of the 271st District Court or appointed by a county court at law judge in Wise County is entitled to receive a salary that does not exceed the salary of a lieutenant in the sheriff's department of the county. The salary is paid out of the general fund of the county.

ARTICLE 7. EFFECTIVE DATE

SECTION 7.01. Except as otherwise provided by this Act, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1329** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 277

Senator Campbell submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 277** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

CAMPBELL	FRANK
HUGHES	BLANCO
HALL	PRICE
ESTES	MURR
HINOJOSA	HUNTER
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the eligibility of certain property for certain ad valorem tax incentives relating to wind-powered energy devices.

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

SECTION 1. (a) The legislature finds that:

(1) the Texas Military Preparedness Commission has found that military installations located in this state generate $136 billion in economic activity each year and directly or indirectly contribute to the existence of almost 900,000 jobs;

(2) military aviation facilities in this state are of vital importance to the security of this state and the nation and are an integral part of this state's economy;

(3) the area surrounding a military aviation facility is sensitive to security concerns and requires special attention by this state;

(4) wind-powered energy devices and wind energy are important components of this state's production of electricity; and

(5) the United States Department of Defense uses the base realignment and closure process to reorganize the department's base structure and has used the process to close more than 350 military bases since 1988.

(b) This Act is for the purposes of:

(1) promoting the public health, safety, and general welfare of this state;

(2) protecting and preserving military aviation facilities, the areas surrounding those facilities, and the aviation operations or training conducted at those facilities from any unintended consequences occurring as a result of the installation or construction of wind-powered energy devices on property located in close proximity to the boundaries of those facilities;

(3) encouraging the development of wind farms and the installation or construction of wind-powered energy devices in this state under reasonable state regulations that recognize the importance of wind energy and take into account the need to support and protect military aviation facilities located in this state from the United States Department of Defense's base realignment and closure process;

(4) ensuring that an owner of property on which wind-powered energy devices were constructed, or were under construction, before September 1, 2017, and that is located in close proximity to the boundaries of a military aviation facility continues to be eligible to receive tax benefits under Chapter 312 or 313, Tax Code; and

(5) allowing an owner of property located in close proximity to the boundaries of a military aviation facility to continue to allow the installation or construction of wind-powered energy devices on that property in the event the owner elects not to seek tax benefits for that property under Chapter 312 or 313, Tax Code.

(c) This Act may not be construed as limiting the ability of a person to receive a tax benefit under Chapter 312 or 313, Tax Code, for property that the person owns and on which a wind-powered energy device is installed or constructed other than under the conditions relating to the proximity of that property to a military aviation facility as expressly provided by this Act.

SECTION 2. Subchapter A, Chapter 312, Tax Code, is amended by adding Section 312.0021 to read as follows:

Sec. 312.0021. PROHIBITION ON ABATEMENT OF TAXES ON CERTAIN PROPERTY NEAR MILITARY AVIATION FACILITY. (a) In this section:

(1) "Military aviation facility" means a base, station, fort, or camp at which fixed-wing aviation operations or training is conducted by the United States Air Force, the United States Air Force Reserve, the United States Army, the United States Army Reserve, the United States Navy, the United States Navy Reserve, the United States Marine Corps, the United States Marine Corps Reserve, the United States Coast Guard, the United States Coast Guard Reserve, or the Texas National Guard.

(2) "Wind-powered energy device" has the meaning assigned by Section 11.27.

(b) Notwithstanding any other provision of this chapter, an owner or lessee of a parcel of real property that is located wholly or partly in a reinvestment zone may not receive an exemption from taxation of any portion of the value of the parcel of real property or of tangible personal property located on the parcel of real property under a tax abatement agreement under this chapter that is entered into on or after September 1, 2017, if, on or after that date, a wind-powered energy device is installed or constructed on the same parcel of real property at a location that is within 25 nautical miles of the boundaries of a military aviation facility located in this state. The prohibition provided by this section applies regardless of whether the wind-powered energy device is installed or constructed at a location that is in the reinvestment zone.

(c) The prohibition provided by this section does not apply if the wind-powered energy device is installed or constructed as part of an expansion or repowering of an existing project.

SECTION 3. Section 313.024, Tax Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) Notwithstanding any other provision of this subchapter, an owner of a parcel of land that is located wholly or partly in a reinvestment zone, a new building constructed on the parcel of land, a new improvement erected or affixed on the parcel of land, or tangible personal property placed in service in the building or improvement or on the parcel of land may not receive a limitation on appraised value under this subchapter for the parcel of land, building, improvement, or tangible personal property under an agreement under this subchapter that is entered into on or after September 1, 2017, if, on or after that date, a wind-powered energy device is installed or constructed on the same parcel of land at a location that is within 25 nautical miles of the boundaries of a military aviation facility located in this state. The prohibition provided by this subsection applies regardless of whether the wind-powered energy device is installed or constructed at a location that is in the reinvestment zone.

SECTION 4. Section 313.024(e), Tax Code, is amended by adding Subdivisions (8) and (9) to read as follows:

(8) "Military aviation facility" has the meaning assigned by Section 312.0021.

(9) "Wind-powered energy device" has the meaning assigned by Section 11.27.

SECTION 5. Notwithstanding Sections 312.0021 and 313.024(b-1), Tax Code, as added by this Act, the change in law made by this Act does not apply to a tax abatement agreement under Chapter 312, Tax Code, or an application for a limitation on appraised value under Chapter 313, Tax Code, the approval of which is pending on the effective date of this Act.

SECTION 6. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 277** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2994

Senator Hinojosa submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2994** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HINOJOSA	ASHBY
KOLKHORST	HOWARD
SELIGER	PHELAN
TAYLOR OF GALVESTON	J. RODRIGUEZ
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2994** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1248

Senator Buckingham submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1248** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BUCKINGHAM	LUCIO III
ESTES	GUILLEN
LUCIO	KUEMPEL
HANCOCK	ROBERTS
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to municipal regulation of manufactured home communities.

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

SECTION 1. Subchapter A, Chapter 211, Local Government Code, is amended by adding Section 211.018 to read as follows:

Sec. 211.018. CONTINUATION OF LAND USE REGARDING MANUFACTURED HOME COMMUNITIES. (a) In this section, "manufactured home," "manufactured home community," and "manufactured home lot" have the meanings assigned by Section 94.001, Property Code.

(b) The governing body of a municipality may not require a change in the nonconforming use of any manufactured home lot within the boundaries of a manufactured home community if:

(1) the nonconforming use of the land constituting the manufactured home community is authorized by law; and

(2) at least 50 percent of the manufactured home lots in the manufactured home community are physically occupied by a manufactured home used as a residence.

(c) For purposes of Subsection (b), requiring a change in the nonconforming use includes:

(1) requiring the number of manufactured home lots designated as a nonconforming use to be decreased; and

(2) declaring that the nonconforming use of the manufactured home lots has been abandoned based on a period of continuous abandonment of use as a manufactured home lot of any lot for less than 12 months.

(d) A manufactured home owner may install a new or used manufactured home, regardless of the size, or any appurtenance on a manufactured home lot located in a manufactured home community for which a nonconforming use is authorized by law, provided that the manufactured home or appurtenance and the installation of the manufactured home or appurtenance comply with:

(1) nonconforming land use standards, including standards relating to separation and setback distances and lot size, applicable on the date the nonconforming use of the land constituting the manufactured home community was authorized by law; and

(2) all applicable state and federal law and standards in effect on the date of the installation of the manufactured home or appurtenance.

(e) A municipality that prohibits the construction of new single-family residences or the construction of additions to existing single-family residences on a site located in a designated floodplain may, notwithstanding Subsection (b), (c), or (d), prohibit the installation of a manufactured home in a manufactured home community on a manufactured home lot that is located in an equivalently designated floodplain.

SECTION 2. Subchapter Z, Chapter 214, Local Government Code, is amended by adding Section 214.906 to read as follows:

Sec. 214.906. REGULATION OF MANUFACTURED HOME COMMUNITIES. (a) "Manufactured home" has the meaning assigned by Section 1201.003, Occupations Code.

(b) Notwithstanding any other law, the governing body of a municipality may not regulate a tract or parcel of land as a manufactured home community, park, or subdivision unless the tract or parcel contains at least four spaces offered for lease for installing and occupying manufactured homes.

SECTION 3. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1248** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 5

Senator Huffman submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 5** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HUFFMAN	P. KING
BETTENCOURT	FALLON
HUGHES	GOLDMAN
LUCIO	LAUBENBERG
NELSON	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to requiring a voter to present proof of identification; providing a criminal penalty and increasing a criminal penalty.

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

SECTION 1. Subchapter A, Chapter 31, Election Code, is amended by adding Section 31.013 to read as follows:

Sec. 31.013. MOBILE LOCATIONS FOR OBTAINING IDENTIFICATION. (a) The secretary of state shall establish a program using mobile units to provide election identification certificates to voters for the purpose of satisfying the requirements of Section 63.001(b). A mobile unit may be used at special events or at the request of a constituent group.

(b) In establishing the program, the secretary of state shall consult with the Department of Public Safety on the creation of the program, security relating to the issuance of an election identification certificate, best practices in issuing an election identification certificate, and equipment required to issue an election identification certificate.

(c) The secretary of state may not charge a fee to a group that requests a mobile unit established under this section.

(d) If the secretary of state cannot ensure the required security or other necessary elements of the program, the secretary of state may deny a request for a mobile unit established under this section.

(e) The secretary of state shall adopt rules necessary for the implementation of this section.

SECTION 2. Section 63.001, Election Code, is amended by amending Subsections (b), (d), and (e) and adding Subsections (c-1) and (i) to read as follows:

(b) Except as provided by Subsection (h), on offering to vote, a voter must present to an election officer at the polling place:

(1) one form of photo identification listed in [~~described by~~] Section 63.0101(a); or

(2) one form of identification listed in Section 63.0101(b) accompanied by the declaration described by Subsection (i) [~~63.0101~~].

(c-1) An election officer may not refuse to accept documentation presented to meet the requirements of Subsection (b) solely because the address on the documentation does not match the address on the list of registered voters.

(d) If, as determined under Subsection (c), the voter's name is on the precinct list of registered voters and the voter's identity can be verified from the documentation presented under Subsection (b), the voter shall be accepted for voting. An election officer may not question the reasonableness of an impediment sworn to by a voter in a declaration described by Subsection (i).

(e) On accepting a voter, an election officer shall indicate beside the voter's name on the list of registered voters that the voter is accepted for voting. If the voter executes a declaration of reasonable impediment to meet the requirement for identification under Subsection (b), the election officer must affix the voter's voter registration number to the declaration either in numeric or bar code form.

(i) If the requirement for identification prescribed by Subsection (b)(1) is not met, an election officer shall notify the voter that the voter may be accepted for voting if the voter meets the requirement for identification prescribed by Subsection (b)(2) and executes a declaration declaring the voter has a reasonable impediment to meeting the requirement for identification prescribed by Subsection (b)(1). A person is subject to prosecution for perjury under Chapter 37, Penal Code, or Section 63.0013 for a false statement or false information on the declaration. The secretary of state shall prescribe the form of the declaration. The form shall include:

(1) a notice that a person is subject to prosecution for perjury under Chapter 37, Penal Code, or Section 63.0013 for a false statement or false information on the declaration;

(2) a statement that the voter swears or affirms that the information contained in the declaration is true, that the person described in the declaration is the same person appearing at the polling place to sign the declaration, and that the voter faces a reasonable impediment to procuring the identification prescribed by Subsection (b)(1);

(3) a place for the voter to indicate one of the following impediments:

(A) lack of transportation;

(B) lack of birth certificate or other documents needed to obtain the identification prescribed by Subsection (b)(1);

(C) work schedule;

(D) lost or stolen identification;

(E) disability or illness;

(F) family responsibilities; and

(G) the identification prescribed by Subsection (b)(1) has been applied for but not received;

(4) a place for the voter to sign and date the declaration;

(5) a place for the election judge to sign and date the declaration;

(6) a place to note the polling place at which the declaration is signed; and

(7) a place for the election judge to note which form of identification prescribed by Subsection (b)(2) the voter presented.

SECTION 3. Chapter 63, Election Code, is amended by adding Section 63.0013 to read as follows:

Sec. 63.0013. FALSE STATEMENT ON DECLARATION OF REASONABLE IMPEDIMENT. (a) A person commits an offense if the person intentionally makes a false statement or provides false information on a declaration executed under Section 63.001(i).

(b) An offense under this section is a state jail felony.

SECTION 4. Section 63.004(a), Election Code, is amended to read as follows:

(a) The secretary of state may prescribe forms that combine the poll list, the signature roster, or any other form used in connection with the acceptance of voters at polling places with each other or with the list of registered voters. The secretary shall prescribe any special instructions necessary for using the combination forms. The combination forms must include space for an election officer to indicate whether a voter executed a declaration of reasonable impediment under Section 63.001(i).

SECTION 5. Section 63.0101, Election Code, is amended to read as follows:

Sec. 63.0101. DOCUMENTATION OF PROOF OF IDENTIFICATION. (a) The following documentation is an acceptable form of photo identification under this chapter:

(1) a driver's license, election identification certificate, or personal identification card issued to the person by the Department of Public Safety that has not expired or that expired no earlier than four years [~~60 days~~] before the date of presentation;

(2) a United States military identification card that contains the person's photograph that has not expired or that expired no earlier than four years [~~60 days~~] before the date of presentation;

(3) a United States citizenship certificate issued to the person that contains the person's photograph;

(4) a United States passport book or card issued to the person that has not expired or that expired no earlier than four years [~~60 days~~] before the date of presentation; or

(5) a license to carry a handgun issued to the person by the Department of Public Safety that has not expired or that expired no earlier than four years [~~60 days~~] before the date of presentation.

(b) The following documentation is acceptable as proof of identification under this chapter:

(1) a government document that shows the name and address of the voter, including the voter's voter registration certificate;

(2) one of the following documents that shows the name and address of the voter:

(A) a copy of a current utility bill;

(B) a bank statement;

(C) a government check; or

(D) a paycheck; or

(3) a certified copy of a domestic birth certificate or other document confirming birth that is admissible in a court of law and establishes the person's identity.

(c) A person 70 years of age or older may use a form of identification listed in Subsection (a) that has expired for the purposes of voting if the identification is otherwise valid.

SECTION 6. Section 63.012(b), Election Code, is amended to read as follows:

(b) An offense under this section is a Class A [~~B~~] misdemeanor.

SECTION 7. Section 272.011(b), Election Code, is amended to read as follows:

(b) The secretary of state shall prepare the translation for election materials required to be provided in a language other than English or Spanish for the following state prescribed voter forms:

(1) voter registration application form required by Section 13.002;

(2) the confirmation form required by Section 15.051;

(3) the voting instruction poster required by Section 62.011;

(4) the reasonable impediment declaration required by Section 63.001(b);

(5) the statement of residence form required by Section 63.0011;

(6) [~~(5)~~] the provisional ballot affidavit required by Section 63.011;

(7) [~~(6)~~] the application for a ballot by mail required by Section 84.011;

(8) [~~(7)~~] the carrier envelope and voting instructions required by Section 86.013; and

(9) [~~(8)~~] any other voter forms that the secretary of state identifies as frequently used and for which state resources are otherwise available.

SECTION 8. Section 521A.001(a), Transportation Code, is amended to read as follows:

(a) The department shall issue an election identification certificate to a person who states that the person is obtaining the certificate for the purpose of satisfying Section 63.001(b), Election Code, and does not have another form of identification described by Section 63.0101(a) [~~63.0101~~], Election Code, and:

(1) who is a registered voter in this state and presents a valid voter registration certificate; or

(2) who is eligible for registration under Section 13.001, Election Code, and submits a registration application to the department.

SECTION 9. This Act takes effect January 1, 2018.

The Conference Committee Report on **SB 5** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1553

Senator Hinojosa submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1553** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HINOJOSA	LOZANO
CAMPBELL	MORRISON
LUCIO	ASHBY
NELSON	GOODEN
TAYLOR OF GALVESTON	K. KING
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1553** was filed with the Secretary of the Senate.

CO-SPONSOR OF HOUSE BILL 810

On motion of Senator Bettencourt, Senator Miles will be shown as Co-sponsor of **HB 810**.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolutions

SR 905 by Lucio, In memory of the life of David Irvine Rucker.

SR 909 by Hinojosa, In memory of Jake Frederick.

Congratulatory Resolutions

SR 896 by Schwertner, Recognizing the staff members of the Legislative Reference Library for their service.

SR 897 by Schwertner, Recognizing Audrey and Fred Verri on the occasion of their 60th wedding anniversary.

SR 900 by West, Recognizing Ernestine Hodges Cohee for her 70 years of service to Delta Sigma Theta Sorority, Incorporated.

SR 901 by Rodríguez, Recognizing the Dixon Water Foundation for receiving the 2017 Leopold Conservation Award for Texas.

SR 902 by Rodríguez, Recognizing the Texas Senate District 29 Environmental Advisory Committee for organizing the Water Resources and Conservation Symposium.

SR 903 by Lucio, Recognizing Celeste Zepeda Sanchez for her service to the City of San Benito.

SR 904 by Lucio, Recognizing Gonzalez Elementary School in Brownsville on the occasion of its 30th anniversary.

SR 906 by Buckingham, Recognizing Dustin Lauw for his craftsmanship.

SR 907 by Buckingham, Recognizing Roland Williams for his contributions to his community.

SR 908 by Buckingham, Recognizing the Peterson Regional Medical Center Auxiliary for its service to the Kerrville community.

SR 912 by Perry, Recognizing the Commission on State Emergency Communications for its service to Texas communities.

SR 913 by Perry, Recognizing the Texas Tech University Legislative Internship Program participants for their work in the 85th Legislature.

HCR 130 (Hughes), Commemorating the 100th anniversary of the first aircraft landing at Mineola-Wisener Field Airport in Wood County.

HCR 132 (Taylor of Collin), Congratulating artist Colin Kimball of McKinney on his receipt of a Distinguished Citizen Medal from the Daughters of the American Revolution.

HCR 138 (Hughes), Commemorating the 40th annual Great Texas Balloon Race in Gregg County.

HCR 139 (Perry), Honoring Captain Carl H. Isett on the event of his retirement from the United States Navy Reserve.

HCR 145 (Hall), Congratulating Gregory D. Watson on having the overall course grade for his 1982 University of Texas American government class elevated from a C to an A after a wait of 35 years.

RECESS AND MOTION TO RECESS

On motion of Senator Garcia and by unanimous consent, the Senate at 7:41 p.m. agreed to recess until 10:00 a.m. tomorrow for a Joint Session.

The Senate further agreed to recess, upon conclusion of the Joint Session, until 1:30 p.m. tomorrow.

APPENDIX

BILLS AND RESOLUTIONS ENROLLED

May 25, 2017

SB 36, **SB 39**, **SB 40**, **SB 43**, **SB 49**, **SB 55**, **SB 79**, **SB 81**, **SB 82**, **SB 190**, **SB 213**, **SB 239**, **SB 263**, **SB 292**, **SB 317**, **SB 323**, **SB 341**, **SB 343**, **SB 344**, **SB 364**, **SB 365**, **SB 371**, **SB 402**, **SB 413**, **SB 436**, **SB 537**, **SB 544**, **SB 591**, **SB 593**, **SB 631**, **SB 721**, **SB 725**, **SB 731**, **SB 738**, **SB 745**, **SB 748**, **SB 751**, **SB 865**, **SB 905**, **SB 914**, **SB 920**, **SB 924**, **SB 942**, **SB 1015**, **SB 1095**, **SB 1098**, **SB 1118**, **SB 1214**, **SB 1232**, **SB 1249**, **SB 1261**, **SB 1286**, **SB 1314**, **SB 1345**, **SB 1400**, **SB 1440**, **SB 1489**, **SB 1526**, **SB 1693**, **SB 1764**, **SB 1799**, **SB 1843**, **SB 1936**, **SB 1968**, **SB 1969**, **SB 2056**, **SB 2075**, **SB 2186**, **SB 2252**, **SB 2253**, **SB 2262**, **SB 2263**, **SB 2273**, **SB 2274**, **SB 2277**, **SB 2284**, **SB 2285**, **SB 2287**, **SB 2290**, **SB 2292**, **SB 2295**, **SB 2296**, **SB 2297**, **SB 2298**, **SB 2299**, **SCR 37**, **SCR 41**, **SCR 51**, **SR 795**, **SR 877**, **SR 878**, **SR 879**, **SR 880**, **SR 881**, **SR 882**, **SR 883**, **SR 884**, **SR 886**, **SR 888**, **SR 889**, **SR 890**, **SR 891**, **SR 892**, **SR 894**, **SR 895**

SENT TO GOVERNOR

May 26, 2017

SB 15, **SB 132**, **SB 261**, **SB 314**, **SB 584**, **SB 625**, **SB 670**, **SB 679**, **SB 919**, **SB 1016**, **SB 1138**, **SB 1557**, **SB 1664**, **SB 1665**, **SB 1680**, **SB 1780**, **SB 1805**, **SB 1963**, **SB 2190**, **SCR 26**

SIGNED BY GOVERNOR

May 26, 2017

SB 7, **SB 16**, **SB 28**, **SB 286**, **SB 587**, **SB 1052**, **SB 1133**, **SB 1541**, **SB 1895**, **SB 1954**, **SB 2082**, **SCR 48**, **SCR 49**

SENATE JOURNAL

EIGHTY-FIFTH LEGISLATURE — REGULAR SESSION

AUSTIN, TEXAS

PROCEEDINGS

SIXTY-FIFTH DAY
(Continued)
(Saturday, May 27, 2017)

AFTER RECESS

JOINT SESSION
(To pay tribute to those who have died in the service of the United States)

The Senate met at 10:00 a.m. in Joint Session in the Hall of the House of Representatives for the purpose of a Joint Session honoring the fallen heroes of Texas, pursuant to the provisions of **HCR 136**.

The Honorable Dan Patrick, President of the Senate, called the Senate to order and announced a quorum of the Senate present.

The Honorable Joe Straus, Speaker of the House of Representatives, called the House to order, announced a quorum of the House present, and stated the purpose of the Joint Session.

Representative Roland Gutierrez thanked Sergeant Romo, Lance Corporal Evans, and Lance Corporal Gonzales of the Weapons Company 1st Battalion, 23rd Marines, for the presentation of colors; Sergeant Bonnie Rosensteel, Texas National Guard, for singing the national anthem; Representative Cesar Blanco for leading the pledges of allegiance to the United States and Texas flags; and Captain Frank Baik, 549th Military Intelligence Battalion, for the invocation.

Senator Donna Campbell recognized Representative Dan Flynn to introduce the Service Medley.

Lieutenant Governor Patrick briefly addressed the Joint Session and acknowledged the presence of Governor Greg Abbott.

Lieutenant Governor Patrick then introduced the Honorable Greg Abbott, who addressed the Joint Session as follows:

> Thank y'all so much, Lieutenant Governor Patrick and Speaker Straus. And I also want to thank Senator Donna Campbell, as well as Representative Gutierrez. To all the Members who join with us here today as well as all of our special guests, you know it's so impressive on a day like this, when we remember those who paid the ultimate price for our country, to get to see so many Members of the House and Senate stand up and show that they themselves served in our United States military. We thank you for the

leadership that you have brought to this country and the leadership that you continue to display. You know, when you think about it, it is so fitting that we gather in this Capitol on this day to remember and honor those who gave the ultimate sacrifice for our country. It is not lost on anybody that during the past few months this Capitol has been a battleground of democracy. The people who made that democratic process even possible, the people who ensured that we would have the freedom to come in here and fight for our ideas, are the men and women who have worn the uniform of the greatest military in the history of the entire world. We are all so grateful for all who have served. As we commemorate this day all the way through Memorial Day on Monday, we particularly remember those who made the ultimate sacrifice for our country. Today, we recognize especially Texas military members killed while serving since the last legislative session. We honor their dedication, we remember their sacrifice, and we celebrate their lives. A moving event every year is an event called Wreaths Across America, when wreaths are placed upon tombstones of fallen soldiers buried at burial grounds across the entire United States. There's one primary goal to be achieved during that ceremony, the goal of remembering the names of those who have served. The ceremony includes a process where people will go up to a gravesite, lay down a wreath, and recite the name on that tombstone. It's symbolic of what we must achieve as Americans, and that is to not let those who have served for us and have passed away to be forgotten. They will forever be alive, and we must muster their lives in recognition of who they are by reciting their names. Today, I want to do that but also add a little bit of background about the names of the men and women we want to recognize today. It includes U.S. Army Counterintelligence Warrant Officer Travis Tamayo of Brownsville, Texas. He knew he wanted to join the military from the moment he graduated from high school. Travis joined as soon as he turned 18 years old. In the words of his father, he was determined to be the best soldier he could be. U. S. Army Specialist Isiah Booker of Cibolo. He loved God, he loved his family, he loved his friends, he loved cooking and dancing. And Isiah genuinely cared for everyone around him. Isiah's message to the entire world was this: Know Christ, love your family and friends, serve your country, honor them all. Anyone who met Staff Sergeant James Moriarty of Kerrville would agree that he was one of the most kind, warm, and brilliant people you would have ever met. His father takes comfort knowing that his son loved serving in the United States Army. It's where he wanted to be, doing what he wanted to do. A high school friend remembers Jimmy as the most selfless person and a hero in their heart. Captain Jordan Pierson of Abilene was devoted to his family and devoted to his country. He was kind and shy, but Jordan was always quick with a joke. His coach remembers him as quiet and determined but tough. A family marveled, he had every reason to brag being a United States Air Force fighter pilot, but despite that, he forever remained so very modest. Chief Warrant Officer Lucas Lowe from Hardin served in the Texas Army National Guard. Being a warrior was not something that he

did, it was something he was from the inside out. He loved our country, he believed in our values. His pastor adds, Luke was born to lead. Chief Warrant Officer Dustin Mortenson's quick wit, his sharp intelligence, and his piloting skill made a lasting impression for those he served with in the Texas Army National Guard. One person remembers Dustin as a devoted family man who would tell stories about his son that would have all of them rolling around the flight line. Everyone liked him. They say he was just a guy who never had a bad day. Private First Class Juan Castro of San Antonio served in the Texas Army National Guard. He is remembered by one of his teachers as more than just a great student. He was a young man who made everybody feel happy. He had a grin that was irresistible, and his quiet sense of humor was absolutely wonderful. The teacher said, I know he is making heaven a better place for all of us. For United States Marine Captain Jake Frederick of Corpus Christi, God, family, and country were of the utmost importance. Flying was his dream, and he lived that dream. His preflight checklist included a remembrance of the Holy Spirit. A loving husband, a loving father, an incredible brother and son, his life continues to shine as a beacon to all. The legacy of these extraordinary men lives on because they fought and died for a cause greater than themselves. It was the greatest cause our country stands for, and that is the cause of liberty. The heroes we honor gave their all to fight for that liberty. Those who went into harm's way to protect the American way, they stood in the face of dangers known and unknown and protected the rest of us from all that threatens. For the families of the fallen, those with us here today and those who could not be with us here today, we recognize that our words are small solace for the loss that you have suffered. We hope, we hope that we have earned what these sons, husbands, fathers, and heroes have sacrificed for us. Speaking on behalf of all who work in this Capitol, speaking on behalf of all of the people who call themselves Texans, I want to ensure you we will continue to work to earn what your family has done for us. We will continue on the homeland to fight for the freedom they died for in lands across the entire globe. On this day and every day, we say, thank you, and we remember those who served this country and who died for liberty. May God bless these families, and may God forever bless the United States of America.

Speaker Straus introduced Senator Campbell and Representative Gutierrez for the reading of the names of fallen Texans. Governor Abbott, Speaker Straus, and Lieutenant Governor Patrick made the presentation of flags.

Speaker Straus requested a moment of silence.

Representative Gutierrez thanked the family members of the fallen heroes being honored and thanked Sergeant Bonnie Rosensteel for singing "Amazing Grace," the DPS Honor Guard for the 21-Gun Salute, Jacqueline Gibson for the playing of "Taps," DPS Honor Guard Tyler Morton for playing the Bagpipe Processional, and Captain Frank Baik for the benediction.

HOUSE AT EASE

Speaker Straus at 10:50 a.m. stated the purpose for which the Joint Session was held having been completed, the House, pursuant to a previously adopted motion, would stand At Ease pending the departure of its guests.

RECESS

The President at 10:50 a.m. stated the purpose for which the Joint Session was held having been completed, the Senate, pursuant to a previously adopted motion, would stand recessed until 1:30 p.m. today.

AFTER RECESS

The Senate met at 1:30 p.m. and was called to order by the President.

SENATE BILL 1929 WITH HOUSE AMENDMENTS
(Motion In Writing)

Senator Kolkhorst called **SB 1929** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1929** by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS of the bill as appropriate:

SECTION ____. Chapter 34, Health and Safety Code, is amended by adding Section 34.0156 to read as follows:

Sec. 34.0156. REPORT ON MENTAL HEALTH SERVICES. (a) Not later than September 1, 2019, the task force, with assistance from the Texas Medical Board, Texas State Board of Social Worker Examiners, Texas State Board of Examiners of Marriage and Family Therapists, Texas State Board of Examiners of Psychologists, and Texas State Board of Examiners of Professional Counselors, shall:

(1) identify:

(A) the number of women seeking mental health services from a mental health care provider licensed by any of the boards listed in Subsection (a) relating to postpartum depression;

(B) the types of mental health services described by Paragraph (A) sought from the licensed provider and any mental health service sought that was outside the provider's scope of practice, including the prescription of medication; and

(C) the average number of visits by a woman described by Paragraph (A) with the mental health care provider;

(2) submit a report to the Sunset Advisory Commission that identifies the information described by Subdivision (1) but does not include any identifying information of a patient; and

(3) assist the Sunset Advisory Commission in analyzing the data submitted in the report to determine the need for mental health care providers in this state and the providers' ability to meet those mental health services needs.

(b) Notwithstanding any other provision of law, the Sunset Advisory Commission shall review each agency assisting the task force in completing the study and report required under Subsection (a) during the period in which state agencies

scheduled to be reviewed or abolished in 2021 are reviewed, and unless continued in existence as provided by Chapter 325, Government Code, each agency is abolished and the law governing each agency and the law administered by the agency expire September 1, 2021.

Floor Amendment No. 2

Amend **SB 1929** by striking the SECTION of the bill amending Section 34.005, Health and Safety Code, and substituting the following appropriately numbered SECTION:

SECTION ____. Section 34.005, Health and Safety Code, is amended to read as follows:

Sec. 34.005. DUTIES OF TASK FORCE. The task force shall:

(1) study and review:

(A) cases of pregnancy-related deaths; [~~and~~]

(B) trends, rates, or disparities in pregnancy-related deaths and [~~in~~] severe maternal morbidity;

(C) health conditions and factors that disproportionately affect the most at-risk population as determined in the Mortality and Morbidity Task Force and Department of State Health Services Joint Biennial Report (July 2016); and

(D) best practices and programs operating in other states that have reduced maternal mortality and morbidity rates;

(2) compare rates of maternal mortality and morbidity based on the socioeconomic status of the mother;

(3) determine the feasibility of the task force studying cases of severe maternal morbidity; and

(4) [~~(3)~~] make recommendations to help reduce the incidence of pregnancy-related deaths and severe maternal morbidity in this state.

The amendments were read.

Senator Kolkhorst submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The President asked if there were any motions to instruct the conference committee on **SB 1929** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate: Senators Kolkhorst, Chair; Schwertner, Buckingham, Miles, and Taylor of Collin.

CONFERENCE COMMITTEE ON HOUSE BILL 21
(Motion In Writing)

Senator Taylor of Galveston called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 21** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President asked if there were any motions to instruct the conference committee on **HB 21** before appointment.

There were no motions offered.

Accordingly, the President announced the appointment of the following conferees on the part of the Senate: Senators Taylor of Galveston, Chair; Bettencourt, Lucio, Hughes, and Campbell.

SESSION TO CONSIDER EXECUTIVE APPOINTMENTS

The President announced the time had arrived to consider executive appointments to agencies, boards, and commissions. Notice of submission of these names for consideration was given yesterday by Senator Birdwell.

Senator Birdwell moved confirmation of the nominees reported yesterday by the Committee on Nominations.

The President asked if there were requests to sever nominees.

There were no requests offered.

NOMINEES CONFIRMED

The following nominees, as reported by the Committee on Nominations, were confirmed by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Taylor of Collin.

Members, Board of Directors, Brazos River Authority: Russel Darrell Boles, Williamson County; Cynthia A. Flores, Williamson County; Charles Richard Huber, Hood County; James P. Lattimore, Palo Pinto County; Wesley David Lloyd, McLennan County; John Henry Luton, Hood County; William John Rankin, Washington County; Jarrod David Smith, Brazoria County; Jeffrey Scott Tallas, Fort Bend County; William Winford Taylor, McLennan County.

Members, Board of Directors, Guadalupe-Blanco River Authority: Ronald James Hermes, Guadalupe County; Thomas Owen Mathews, Kendall County; Dennis Lynn Patillo, Victoria County.

Commissioners, Jefferson and Orange County Board of Pilot Commissioners: Charles Edward Holder, Orange County; William Gates Jenkins, Jefferson County; James Michael Scott, Jefferson County; Shawn Michael Sparrow, Jefferson County; Milton Bradley Taylor, Orange County.

Members, Board of Directors, Lavaca-Navidad River Authority: Sandra Y. Johs, Jackson County; Ronald Edwin Kubecka, Jackson County; Scott H. Sachtleben, Jackson County.

Member, Board of Directors, Lower Colorado River Authority: Stephen Frank Cooper, Wharton County.

Members, Board of Directors, Lower Neches Valley Authority: Lonnie Bee Grissom, Tyler County; Kal Anthony Kincaid, Jefferson County; Steven Robert Lucas, Jefferson County; Virginia Mays Pate, Jefferson County; Juanita Jean Thomas Turk, Hardin County.

Members, Board of Directors, Red River Authority of Texas: Todd Wayne Boykin, Randall County; Jerry Bob Daniel, Knox County; George Wilson Scaling, Clay County.

Members, Board of Directors, Sabine River Authority of Texas: Cary McClure Abney, Harrison County; Jeanette Lynne Sterner, Wood County; Laurie Etzel Woloszyn, Gregg County.

Member, Board of Directors, San Antonio River Authority: Lynn Fagan Murphy, Bexar County.

Members, Board of Directors, San Jacinto River Authority: Ronald Wyatt Anderson, Chambers County; Fredrick Donald Koetting, Montgomery County; Gary Thomas Renola, Harris County.

Member, Board of Directors, Sulphur River Basin Authority: Catherine A. Stedman, Titus County.

Members, Texas Board of Respiratory Care: Timothy Rae Chappell, Collin County; Joe Ann Clack, Ford Bend County; Latana Tamichi Jackson-Woods, Dallas County; Sam Gregory Marshall, Guadalupe County; Debra Elaine Patrick, Harris County; Shad Joseph Pellizzari, Williamson County; Kandace D'Ann Pool, Tom Green County; Sonia Kay Sanderson, Jefferson County; James Martin Stocks, Smith County.

Members, Texas Commission on Law Enforcement: Kimberley Ann Lemaux, Tarrant County; Sharon Breckenridge Thomas, Bexar County; Timothy H. Whitaker, Fort Bend County.

Members, Board of Trustees, Texas County and District Retirement System: Charles Christopher Davis, Cherokee County; Deborah M. Hunt, Williamson County; William Michael Metzger, Dallas County.

Members, State Board of Trustees, Texas Emergency Services Retirement System: Courtney Gibson Bechtol, Aransas County; Virginia K. Moore, Brazoria County; Pilar Rodriquez, Hidalgo County.

Texas Judicial Council: Sonia Velasco Clayton, Harris County; Kenneth Scott Saks, Bexar County; Evan Andrew Young, Travis County.

Members, Texas State Board of Examiners of Marriage and Family Therapists: Kenneth V. Bateman, Dallas County; Evelyn Husband Thompson, Harris County.

Members, Texas State Board of Examiners of Professional Counselors: Loretta Jean Bradley, Lubbock County; Brenda Sanchez Compagnone, Bexar County; Christopher Scott Taylor, Dallas County.

Members, Texas State Board of Examiners of Psychologists: John Kolbe Bielamowicz, Ellis County; Susan Fletcher, Collin County; Ronald Steven Palomares, Dallas County.

Members, Texas State Board of Public Accountancy: Ross Thomas Johnson, Harris County; Timothy Lee LaFrey, Travis County; Alice Roselyn Everts Morris, Hays County; Benjamin Pena, Hidalgo County; Kimberly Ehresman Wilkerson, Lubbock County.

Members, Texas State Board of Social Worker Examiners: Brian Cody Brumley, Lamar County; Beverly Jackson Loss, Fannin County; Benny W. Morris, Johnson County; Martha Rightmer Mosier, Brazos County.

Members, Texas State Library and Archives Commission: Larry Gene Holt, Brazos County; Martha Wong, Harris County.

Member, Texas Veterans Commission: Kevin Barber, Harris County.

Member, Board of Regents, Texas Woman's University: Ann Scanlon McGinity, Brazoria County.

Members, Texas Workforce Commission: Julian Alvarez, Cameron County; Ruth Ruggero Hughs, Travis County.

Members, Board of Directors, Trinity River Authority of Texas: Whitney Deason Beckworth, Tarrant County; John Walter Jenkins, Chambers County; Victoria Kristen Lucas, Kaufman County; Ronald Maxwell, Houston County; Robert Finley McFarlane, Anderson County; Emanuel Joseph Rachal, Polk County; William Overton Rodgers, Tarrant County; Frank H. Steed, Navarro County; Edward Williams, Dallas County.

Members, Board of Directors, Upper Guadalupe River Authority: Aaron Clark Bulkley, Kerr County; Diane Lund McMahon, Kerr County; James Musgrove, Kerr County; William Raymond Rector, Kerr County; Blake W. Smith, Kerr County.

Members, Board of Directors, Upper Neches River Municipal Water Authority: Jay Steven Herrington, Anderson County; Milton Phillip Jenkins, Anderson County.

Member, Veterans' Land Board: Grant Austin Moody, Bexar County.

SENATE BILL 736 WITH HOUSE AMENDMENT

Senator Hancock called **SB 736** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 736** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to a report on the sale of retail electric power by the General Land Office.

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

SECTION 1. (a) The General Land Office shall collect information on the sale of electric power by the General Land Office.

(b) Not later than September 1, 2018, the General Land Office shall provide to the legislature a report on the information collected under Subsection (a). The report must include the following information for each year:

(1) number of participants;

(2) aggregate rates;

(3) general contract terms; and

(4) the extent of any fiscal impact on state resources of administering the program.

SECTION 2. This Act takes effect September 1, 2017.

The amendment was read.

Senator Hancock moved to concur in the House amendment to **SB 736**.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Estes, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin, Watson, West, Whitmire, Zaffirini.

Nays: Burton, Garcia, Hall, Rodríguez, Uresti.

SENATE BILL 1172 RECOMMITTED

On motion of Senator Perry and by unanimous consent, **SB 1172** was recommitted to the conference committee.

GUEST PRESENTED

Senator Garcia was recognized and introduced to the Senate her intern, Elsa Mendoza.

The Senate welcomed its guest.

SENATE BILL 810 WITH HOUSE AMENDMENTS

Senator Kolkhorst called **SB 810** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 810** (house committee report) as follows:

(1) Strike page 9, lines 14 through 16.

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

SECTION ____. Section 31.001, Education Code, is amended to read as follows:

Sec. 31.001. FREE INSTRUCTIONAL MATERIALS. Instructional materials selected for use in the public schools shall be furnished without cost to the students attending those schools. Except as provided by Section 31.104(d), a school district

may not charge a student for instructional material or technological equipment purchased by the district with the district's instructional materials and technology allotment.

SECTION ____. Sections 31.002(1) and (1-a), Education Code, are amended to read as follows:

(1) "Instructional material" means content that conveys the essential knowledge and skills of a subject in the public school curriculum through a medium or a combination of media for conveying information to a student. The term includes a book, supplementary materials, a combination of a book, workbook, and supplementary materials, computer software, magnetic media, DVD, CD-ROM, computer courseware, on-line services, or an electronic medium, or other means of conveying information to the student or otherwise contributing to the learning process through electronic means, including open education resource [~~open-source~~] instructional material.

(1-a) "Open education resource [~~Open-source~~] instructional material" means teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that allows for free use, reuse, modification, and sharing with others, including full courses, course materials, modules, textbooks, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge [~~electronic instructional material that is available for downloading from the Internet at no charge to a student and without requiring the purchase of an unlock code, membership, or other access or use charge, except for a charge to order an optional printed copy of all or part of the instructional material~~]. The term includes state-developed open education resource [~~open-source~~] instructional material purchased under Subchapter B-1.

SECTION ____. Section 31.004(b), Education Code, is amended to read as follows:

(b) To determine whether each student has instructional materials that cover all elements of the essential knowledge and skills as required by Subsection (a), a school district or open-enrollment charter school may consider:

(1) instructional materials adopted by the State Board of Education;

(2) materials adopted or purchased by the commissioner under Section 31.0231 or Subchapter B-1;

(3) open education resource [~~open-source~~] instructional materials submitted by eligible institutions and adopted by the State Board of Education under Section 31.0241;

(4) open education resource [~~open-source~~] instructional materials made available by other public schools; [~~and~~]

(5) instructional materials developed or purchased by the school district or open-enrollment charter school; and

(6) open education resource instructional materials and other electronic instructional materials included in the repository under Section 31.083.

SECTION ____. Sections 31.005 and 31.021, Education Code, are amended to read as follows:

Sec. 31.005. FUNDING FOR OPEN-ENROLLMENT CHARTER SCHOOLS. An open-enrollment charter school is entitled to the instructional materials and technology allotment under this chapter and is subject to this chapter as if the school were a school district.

Sec. 31.021. STATE INSTRUCTIONAL MATERIALS AND TECHNOLOGY FUND. (a) The state instructional materials and technology fund consists of:

(1) an amount set aside by the State Board of Education from the available school fund, in accordance with Section 43.001(d); and

(2) all amounts lawfully paid into the fund from any other source.

(c) Money in the state instructional materials and technology fund shall be used to:

(1) fund the instructional materials and technology allotment, as provided by Section 31.0211;

(2) purchase special instructional materials for the education of blind and visually impaired students in public schools;

(3) pay the expenses associated with the instructional materials adoption and review process under this chapter;

(4) pay the expenses associated with the purchase or licensing of open education resource [~~open-source~~] instructional material;

(5) pay the expenses associated with the purchase of instructional material, including intrastate freight and shipping and the insurance expenses associated with intrastate freight and shipping;

(6) [~~fund the technology lending grant program established under Section 32.201; and~~

[~~(7)~~] provide funding to the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, and the Texas Juvenile Justice Department; and

(7) pay the expenses associated with the instructional materials web portal developed under Section 31.081.

(d) Money transferred to the state instructional materials and technology fund remains in the fund until spent and does not lapse to the state at the end of the fiscal year.

SECTION ____. The heading to Section 31.0211, Education Code, is amended to read as follows:

Sec. 31.0211. INSTRUCTIONAL MATERIALS AND TECHNOLOGY ALLOTMENT.

SECTION ____. Sections 31.0211(a), (b), and (c), Education Code, are amended to read as follows:

(a) A school district is entitled to an allotment each biennium from the state instructional materials and technology fund for each student enrolled in the district on a date during the last year of the preceding biennium specified by the commissioner. The commissioner shall determine the amount of the allotment per student each biennium on the basis of the amount of money available in the state instructional materials and technology fund to fund the allotment. An allotment under this section

shall be transferred from the state instructional materials and technology fund to the credit of the district's instructional materials and technology account as provided by Section 31.0212.

(b) A juvenile justice alternative education program under Section 37.011 is entitled to an allotment from the state instructional materials and technology fund in an amount determined by the commissioner. The program shall use the allotment to purchase items listed in Subsection (c) for students enrolled in the program. The commissioner's determination under this subsection is final and may not be appealed.

(c) Subject to Subsection (d), funds allotted under this section may be used to:

(1) purchase:

(A) materials on the list adopted by the commissioner, as provided by Section 31.0231;

(B) instructional materials, regardless of whether the instructional materials are on the list adopted under Section 31.024;

(C) consumable instructional materials, including workbooks;

(D) instructional materials for use in bilingual education classes, as provided by Section 31.029;

(E) instructional materials for use in college preparatory courses under Section 28.014, as provided by Section 31.031;

(F) supplemental instructional materials, as provided by Section 31.035;

(G) state-developed open education resource [~~open-source~~] instructional materials, as provided by Subchapter B-1;

(H) instructional materials and technological equipment under any continuing contracts of the district in effect on September 1, 2011; and

(I) technological equipment necessary to support the use of materials included on the list adopted by the commissioner under Section 31.0231 or any instructional materials purchased with an allotment under this section; and

(2) pay:

(A) for training educational personnel directly involved in student learning in the appropriate use of instructional materials and for providing for access to technological equipment for instructional use; and

(B) the salary and other expenses of an employee who provides technical support for the use of technological equipment directly involved in student learning.

SECTION ____. The heading to Section 31.0212, Education Code, is amended to read as follows:

Sec. 31.0212. INSTRUCTIONAL MATERIALS AND TECHNOLOGY ACCOUNT.

SECTION ____. Sections 31.0212(a), (b), (d), and (e), Education Code, are amended to read as follows:

(a) The commissioner shall maintain an instructional materials and technology account for each school district. In the first year of each biennium, the commissioner shall deposit in the account for each district the amount of the district's instructional materials and technology allotment under Section 31.0211.

(b) The commissioner shall pay the cost of instructional materials requisitioned by a school district under Section 31.103 using funds from the district's instructional materials and technology account.

(d) Money deposited in a school district's instructional materials and technology account during each state fiscal biennium remains in the account and available for use by the district for the entire biennium. At the end of each biennium, a district with unused money in the district's account may carry forward any remaining balance to the next biennium.

(e) The commissioner shall adopt rules as necessary to implement this section. The rules must include a requirement that a school district provide the title and publication information for any instructional materials requisitioned or purchased by the district with the district's instructional materials and technology allotment.

SECTION ____. Section 31.0213, Education Code, is amended to read as follows:

Sec. 31.0213. CERTIFICATION OF USE OF INSTRUCTIONAL MATERIALS AND TECHNOLOGY ALLOTMENT. Each school district shall annually certify to the commissioner that the district's instructional materials and technology allotment has been used only for expenses allowed by Section 31.0211.

SECTION ____. Section 31.0214(a), Education Code, is amended to read as follows:

(a) Each year the commissioner shall adjust the instructional materials and technology allotment of school districts experiencing high enrollment growth. The commissioner shall establish a procedure for determining high enrollment growth districts eligible to receive an adjustment under this section and the amount of the instructional materials and technology allotment those districts will receive.

SECTION ____. The heading to Section 31.0215, Education Code, is amended to read as follows:

Sec. 31.0215. INSTRUCTIONAL MATERIALS AND TECHNOLOGY [~~MATERIAL~~] ALLOTMENT PURCHASES.

SECTION ____. Sections 31.0215(b) and (c), Education Code, are amended to read as follows:

(b) The commissioner may allow a school district or open-enrollment charter school to place an order for instructional materials before the beginning of a fiscal biennium and to receive instructional materials before payment. The commissioner shall limit the cost of an order placed under this section to 80 percent of the estimated amount to which a school district or open-enrollment charter school is estimated to be entitled as provided by Subsection (a) and shall first credit any balance in a district or charter school instructional materials and technology account to pay for an order placed under this section.

(c) The commissioner shall make payments for orders placed under this section as funds become available to the instructional materials and technology fund and shall prioritize payment of orders placed under this section over reimbursement of purchases made directly by a school district or open-enrollment charter school.

SECTION ____. Section 31.022, Education Code, is amended by amending Subsection (d) and adding Subsections (g) and (h) to read as follows:

(d) At least 12 months before the beginning of the school year for which instructional materials for a particular subject and grade level will be adopted under the review and adoption cycle, the board shall publish notice of the review and adoption cycle for those instructional materials. A request for production must allow submission of open education resource [~~open source~~] instructional materials that are available for use by the state without charge on the same basis as instructional materials offered for sale.

(g) In reviewing and adopting instructional materials, the board shall consider a school district's need for technology as well as instructional materials and in any biennium may limit the adoption of instructional materials to provide sufficient resources to purchase technology resources, including digital curriculum.

(h) The board shall include information regarding open education resource instructional materials during the adoption cycle, including any cost savings associated with the adoption of open education resource instructional materials.

SECTION ____. Section 31.0231(b), Education Code, is amended to read as follows:

(b) A school district may select material on the list adopted under Subsection (a) to be funded by the district's instructional materials and technology allotment under Section 31.0211.

SECTION ____. The heading to Section 31.0241, Education Code, is amended to read as follows:

Sec. 31.0241. ADOPTION OF OPEN EDUCATION RESOURCE [~~OPEN SOURCE~~] INSTRUCTIONAL MATERIALS.

SECTION ____. Section 31.0241(b), Education Code, is amended to read as follows:

(b) The State Board of Education shall place open education resource [~~open source~~] instructional material for a secondary-level course submitted for adoption by an eligible institution on the list adopted under Section 31.023 if:

(1) the instructional material is written, compiled, or edited primarily by faculty of the eligible institution who specialize in the subject area of the instructional material;

(2) the eligible institution identifies each contributing author;

(3) the appropriate department of the eligible institution certifies the instructional material for accuracy; and

(4) the eligible institution determines that the instructional material qualifies for placement on the list based on the extent to which the instructional material covers the essential knowledge and skills identified under Section 28.002 for the subject for which the instructional material is written and certifies that:

(A) for instructional material for a senior-level course, a student who successfully completes a course based on the instructional material will be prepared, without remediation, for entry into the eligible institution's freshman-level course in that subject; or

(B) for instructional material for a junior-level and senior-level course, a student who successfully completes the junior-level course based on the instructional material will be prepared for entry into the senior-level course.

SECTION ____. Section 31.0242, Education Code, is amended to read as follows:

Sec. 31.0242. REVIEW OF OPEN EDUCATION RESOURCE [~~OPEN-SOURCE~~] INSTRUCTIONAL MATERIAL. Not later than the 90th day after the date open education resource [~~open-source~~] instructional material is submitted as provided by Section 31.0241, the State Board of Education may review the instructional material. The board shall:

(1) post with the list adopted under Section 31.023 comments made by the board regarding the open education resource [~~open-source~~] instructional material placed on the list; and

(2) distribute board comments to school districts.

SECTION ____. Section 31.026(d), Education Code, is amended to read as follows:

(d) This section does not apply to open education resource [~~open-source~~] instructional material.

SECTION ____. Section 31.0261, Education Code, is amended to read as follows:

Sec. 31.0261. CONTRACTS FOR PRINTING OF OPEN EDUCATION RESOURCE [~~OPEN-SOURCE~~] INSTRUCTIONAL MATERIALS. The State Board of Education may execute a contract for the printing of open education resource [~~open-source~~] instructional materials placed on the list adopted under Section 31.023. The contract must allow a school district to requisition printed copies of open education resource [~~open-source~~] instructional materials as provided by Section 31.103.

SECTION ____. Section 31.027(c), Education Code, is amended to read as follows:

(c) This section does not apply to open education resource [~~open-source~~] instructional material.

SECTION ____. Section 31.029(a), Education Code, is amended to read as follows:

(a) A school district shall purchase with the district's instructional materials and technology allotment or otherwise acquire instructional materials for use in bilingual education classes.

SECTION ____. Section 31.031(a), Education Code, is amended to read as follows:

(a) A school district may purchase with the district's instructional materials and technology allotment or otherwise acquire instructional materials for use in college preparatory courses under Section 28.014.

SECTION ____. The heading to Subchapter B-1, Chapter 31, Education Code, is amended to read as follows:

SUBCHAPTER B-1. STATE-DEVELOPED OPEN EDUCATION RESOURCE [~~OPEN-SOURCE~~] INSTRUCTIONAL MATERIALS

SECTION ____. Sections 31.071, 31.072, 31.073, 31.074, and 31.075, Education Code, are amended to read as follows:

Sec. 31.071. PURCHASE AUTHORITY. (a) The commissioner may purchase state-developed open education resource [~~open-source~~] instructional materials in accordance with this subchapter.

(b) The commissioner:

(1) shall purchase any state-developed open education resource [~~open-source~~] instructional materials through a competitive process; and

(2) may purchase more than one state-developed open education resource [~~open-source~~] instructional material for a subject or grade level.

(c) State-developed open education resource [~~open-source~~] instructional material must be irrevocably owned by or licensed to the state for use in the applicable subject or grade level. The state must have unlimited authority to modify, delete, combine, or add content to the instructional material after purchase.

(d) The commissioner may issue a request for proposals for state-developed open education resource [~~open-source~~] instructional material:

(1) in accordance with the instructional material review and adoption cycle under Section 31.022; or

(2) at any other time the commissioner determines that a need exists for additional instructional material options.

(e) The costs of administering this subchapter and purchasing state-developed open education resource [~~open-source~~] instructional materials shall be paid from the state instructional materials and technology fund, as determined by the commissioner.

Sec. 31.072. CONTENT REQUIREMENTS. (a) State-developed open education resource [~~open-source~~] instructional material must:

(1) be evaluated by teachers or other experts, as determined by the commissioner, before purchase; and

(2) meet the requirements for inclusion on the instructional material list adopted under Section 31.023.

(b) Following a curriculum revision by the State Board of Education, the commissioner shall require the revision of state-developed open education resource [~~open-source~~] instructional material relating to that curriculum. The commissioner may, at any time, require an additional revision of state-developed open education resource [~~open-source~~] instructional material or contract for ongoing revisions of state-developed open education resource [~~open-source~~] instructional material for a period not to exceed the period under Section 31.022 for which instructional material for that subject and grade level may be adopted. The commissioner shall use a competitive process to request proposals to revise state-developed open education resource [~~open-source~~] instructional material under this subsection.

Sec. 31.073. SELECTION BY SCHOOL DISTRICT. (c) Notwithstanding Section 31.022, a school district or open-enrollment charter school may adopt state-developed open education resource [~~open-source~~] instructional material at any time, regardless of the instructional material review and adoption cycle under that section.

(d) A school district or open-enrollment charter school may not be charged for selection of state-developed open education resource [~~open-source~~] instructional material in addition to instructional material adopted under Subchapter B.

Sec. 31.074. DISTRIBUTION. (a) The commissioner shall provide for the distribution of state-developed open education resource [~~open-source~~] instructional materials in a manner consistent with distribution of instructional materials adopted under Subchapter B.

(b) The commissioner may use a competitive process to contract for printing or other reproduction of state-developed open education resource [~~open-source~~] instructional material on behalf of a school district or open-enrollment charter school. The commissioner may not require a school district or open-enrollment charter school to contract with a state-approved provider for the printing or reproduction of state-developed open education resource [~~open-source~~] instructional material.

Sec. 31.075. OWNERSHIP; LICENSING. (a) State-developed open education resource [~~open-source~~] instructional material is the property of the state.

(b) The commissioner shall provide a license to each public school in the state, including a school district, an open-enrollment charter school, and a state or local agency educating students in any grade from prekindergarten through high school, to use and reproduce state-developed open education resource [~~open-source~~] instructional material.

(c) The commissioner may provide a license to use state-developed open education resource [~~open-source~~] instructional material to an entity not listed in Subsection (b). In determining the cost of a license under this subsection, the commissioner shall seek, to the extent feasible, to recover the costs of developing, revising, and distributing state-developed open education resource [~~open-source~~] instructional materials.

SECTION ____. Section 31.076(b), Education Code, is amended to read as follows:

(b) A decision by the commissioner regarding the purchase, revision, cost, or distribution of state-developed open education resource [~~open-source~~] instructional material is final and may not be appealed.

SECTION ____. Section 31.077, Education Code, is amended to read as follows:

Sec. 31.077. ADOPTION SCHEDULE. The commissioner shall develop a schedule for the adoption of state-developed open education resource [~~open-source~~] instructional materials under this subchapter. In developing the adoption schedule under this section, the commissioner shall consider:

(1) the availability of funds;

(2) the existing instructional material adoption cycles under Subchapter B; and

(3) the availability of instructional materials for development or purchase by the state.

SECTION ____. Chapter 31, Education Code, is amended by adding Subchapter B-2 to read as follows:

SUBCHAPTER B-2. INSTRUCTIONAL MATERIALS WEB PORTAL

Sec. 31.081. INSTRUCTIONAL MATERIALS WEB PORTAL. (a) The commissioner shall develop and maintain a web portal to assist school districts and open-enrollment charter schools in selecting instructional materials under Section 31.101.

(b) The web portal must include general information such as price, computer system requirements, and any other relevant specifications for each instructional material:

(1) on the instructional materials list, including the list adopted under Section 31.0231; or

(2) submitted by a publisher for inclusion in the web portal.

(c) The commissioner by rule shall establish the procedure by which a publisher may submit instructional materials for inclusion in the web portal.

(d) The commissioner shall use a competitive process to contract for the development of the web portal.

(e) The commissioner shall use money in the state instructional materials and technology fund to pay any expenses associated with the web portal.

Sec. 31.082. QUALITY OF INSTRUCTIONAL MATERIALS SUBMITTED BY PUBLISHER. (a) The commissioner shall contract with a private entity to conduct an independent analysis of each instructional material submitted by a publisher for inclusion in the web portal developed under Section 31.081. The analysis must:

(1) evaluate the quality of the material; and

(2) determine the extent to which the material covers the essential knowledge and skills identified under Section 28.002 for the subject and grade level for which the material is intended to be used, including an identification of:

(A) each of the essential knowledge and skills for the subject and grade level or levels covered by the material; and

(B) the percentage of the essential knowledge and skills for the subject and grade level or levels covered by the material.

(b) The commissioner shall include in the web portal developed under Section 31.081 the results of each analysis conducted under Subsection (a).

Sec. 31.083. INSTRUCTIONAL MATERIALS REPOSITORY. (a) The commissioner shall include in the web portal developed under Section 31.081 a repository of open education resource instructional materials and other electronic instructional materials that school districts and open-enrollment charter schools may access at no cost.

(b) A publisher may submit instructional materials for inclusion in the repository.

Sec. 31.084. RULES. The commissioner may adopt rules as necessary to implement this subchapter.

SECTION ____. Section 31.101, Education Code, is amended by adding Subsection (b) and amending Subsection (f) to read as follows:

(b) In selecting instructional material each year, a school district or open-enrollment charter school may consider the use of open education resource instructional materials.

(f) The commissioner shall maintain an online requisition system for school districts to requisition instructional materials to be purchased with the district's instructional materials and technology allotment.

SECTION ____. Section 31.103(d), Education Code, is amended to read as follows:

(d) A school district or open-enrollment charter school that selects open education resource [~~open-source~~] instructional material shall requisition a sufficient number of printed copies for use by students unable to access the instructional material electronically unless the district or school provides to each student:

(1) electronic access to the instructional material at no cost to the student; or

(2) printed copies of the portion of the instructional material that will be used in the course.

SECTION ____. Sections 31.104(b), (g), and (h), Education Code, are amended to read as follows:

(b) A school district or open-enrollment charter school may order replacements for instructional materials that have been lost or damaged directly from the publisher of the instructional materials or any source for a printed copy of open education resource [~~open-source~~] instructional material.

(g) At the end of the school year for which open education resource [~~open-source~~] instructional material that a school district or open-enrollment charter school does not intend to use for another student is distributed, the printed copy of the open education resource [~~open-source~~] instructional material becomes the property of the student to whom it is distributed.

(h) This section does not apply to an electronic copy of open education resource [~~open-source~~] instructional material.

SECTION ____. Sections 31.151(d) and (e), Education Code, are amended to read as follows:

(d) A penalty collected under this section shall be deposited to the credit of the state instructional materials and technology fund.

(e) An eligible institution, as defined by Section 31.0241(a), that offers open education resource [~~open-source~~] instructional materials under Section 31.0241 is not a publisher or manufacturer for purposes of this section.

SECTION ____. Section 32.001(b), Education Code, is amended to read as follows:

(b) The State Board of Education shall update [~~as necessary~~] the plan developed under Subsection (a) at least every five years.

SECTION ____. Section 41.124(c), Education Code, is amended to read as follows:

(c) A school district that receives tuition for a student from a school district with a wealth per student that exceeds the equalized wealth level may not claim attendance for that student for purposes of Chapters 42 and 46 and the instructional materials and technology allotment under Section 31.0211.

SECTION ____. Section 43.001(d), Education Code, is amended to read as follows:

(d) Each biennium the State Board of Education shall set aside an amount equal to 50 percent of the distribution for that biennium from the permanent school fund to the available school fund as provided by Section 5(a), Article VII, Texas Constitution, to be placed, subject to the General Appropriations Act, in the state instructional materials and technology fund established under Section 31.021.

SECTION ____. Section 403.093(d), Government Code, is amended to read as follows:

(d) The comptroller shall transfer from the general revenue fund to the foundation school fund an amount of money necessary to fund the foundation school program as provided by Chapter 42, Education Code. The comptroller shall make the transfers in installments as necessary to comply with Section 42.259, Education Code, and permit the Texas Education Agency, to the extent authorized by the General Appropriations Act, to make temporary transfers from the foundation school fund for payment of the instructional materials and technology allotment under Section 31.0211, Education Code. Unless an earlier date is necessary for purposes of temporary transfers for payment of the instructional materials and technology allotment, an installment must be made not earlier than two days before the date an installment to school districts is required by Section 42.259, Education Code, and must not exceed the amount necessary for that payment and any temporary transfers for payment of the instructional materials and technology allotment.

SECTION ____. Not later than September 1, 2018, the commissioner of education shall develop the web portal required under Subchapter B-2, Chapter 31, Education Code, as added by this Act.

SECTION ____. In the event that **SB 1784**, 85th Legislature, Regular Session, 2017, is enacted and becomes law, any provisions repealed or language struck by that Act shall also be considered repealed or struck, as applicable, by this Act.

(3) Renumber the SECTIONS of the bill accordingly.

Floor Amendment No. 2

Amend **SB 810** (house committee report) on page 8, line 6, between "agencies" and "and", by inserting ", textbook publishers, representatives of the open educational resource community,".

The amendments were read.

Senator Kolkhorst moved to concur in the House amendments to **SB 810**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 248 WITH HOUSE AMENDMENTS

Senator Schwertner called **SB 248** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 248** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the dissolution of the Chisholm Trail Special Utility District.

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

SECTION 1. Subtitle C, Title 6, Special District Local Laws Code, is amended by adding Chapter 7219 to read as follows:

CHAPTER 7219. CHISHOLM TRAIL SPECIAL UTILITY DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7219.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the City of Georgetown.

(3) "District" means the Chisholm Trail Special Utility District.

SUBCHAPTER B. DISSOLUTION OF DISTRICT

Sec. 7219.051. PROPOSAL FOR DISSOLUTION; NOTICE. (a) If a majority of the board votes to propose to dissolve the district, the board may issue notice of a hearing on a proposal to dissolve the district.

(b) If a lawsuit to which the district is a party is pending, the district may not vote on the issue of dissolution during the period beginning on the date a hearing on the merits of the lawsuit concludes and ending on the date a judgment is entered in the lawsuit.

(c) Not later than the 14th day before the date set for the hearing, notice of the hearing must:

(1) be posted at the courthouse of each county in which the district is located and at the district's office; and

(2) be published at least one time in a newspaper of general circulation in each county in which the district is located.

Sec. 7219.052. HEARING AND ORDER. (a) At the hearing, held at the time and place stated in the notice under Section 7219.051, the board shall:

(1) hear all interested persons;

(2) consider whether the best interests of the persons and property in the district will be served by dissolving the district; and

(3) vote on whether to dissolve the district.

(b) If two-thirds of the members of the board vote to dissolve the district, the board shall enter a finding in its records that the district will be dissolved after completion of the process to transfer to the city the district's certificate of convenience and necessity and other assets and liabilities under Section 7219.053. After the district's certificate of convenience and necessity and other assets and liabilities are transferred to the city under Section 7219.053, the board shall enter an order in its records dissolving the district.

(c) If two-thirds of the members of the board do not vote to dissolve the district, the board shall enter an order in its records providing that the district is not to be dissolved.

Sec. 7219.053. ASSUMPTION OF OPERATION, MANAGEMENT, AND ASSETS AND LIABILITIES OF DISTRICT. (a) On the date the board enters a finding under Section 7219.052(b) that the district will be dissolved, the city shall assume:

(1) control of the operation and management of the affairs of the district, to the extent that the operation and management was not previously assumed by the city by contractual agreement;

(2) all rights, duties, and obligations of the district, including existing contracts, duties, assets, property, easements, financial obligations, and liabilities of the district, to the extent that those rights, duties, and obligations were not previously assumed by the city by contractual agreement;

(3) all files, records, and accounts of the district, including those that pertain to the control, finances, management, and operation of the district; and

(4) all permits, approvals, and licenses of the district.

(b) To the extent that the assumption of an item listed in Subsection (a) requires the approval of a state agency, the state agency shall grant approval without additional notice or hearing.

(c) This section does not enhance or harm the position of a contracting party.

Sec. 7219.054. REVIEW OF BOARD'S ORDER. The board's order dissolving the district is final and may not be appealed in any manner to any judicial, administrative, or other tribunal if the board's order is entered after the completion of the process to transfer the district's certificate of convenience and necessity, including any necessary approval of a state agency.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Floor Amendment No. 1

Amend **CSSB 248** (house committee printing) on page 1, by striking lines 19 through 23, and substituting the following:

(b) The district may not vote on the issue of dissolution before the earlier of:

(1) August 31, 2019; or

(2) if the district is a party to a lawsuit pending on May 1, 2017, the date:

(A) a settlement is reached by all parties in the lawsuit; or

(B) a final judgment is entered in the lawsuit.

The amendments were read.

Senator Schwertner moved to concur in the House amendments to **SB 248**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1198 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 1198** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1198** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the conversion of the Hays Caldwell Public Utility Agency to the Alliance Regional Water Authority; providing authority to issue bonds; granting the power of eminent domain; providing authority to impose fees.

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

SECTION 1. (a) The Hays Caldwell Public Utility Agency is converted to a conservation and reclamation district to be known as the Alliance Regional Water Authority located in Bexar, Caldwell, Comal, Guadalupe, and Hays Counties.

(b) The Alliance Regional Water Authority is not required to hold an election to confirm the creation of the authority.

SECTION 2. Subtitle X, Title 6, Special District Local Laws Code, is amended by adding Chapter 11010 to read as follows:

CHAPTER 11010. ALLIANCE REGIONAL WATER AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 11010.001. DEFINITIONS. In this chapter:

(1) "Authority" means the Alliance Regional Water Authority.

(2) "Board" means the board of directors of the authority.

(3) "Director" means a member of the board.

(4) "District" means any district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, regardless of the manner of creation.

(5) "Local government" means:

(A) a municipality, county, district, or other political subdivision of this state;

(B) a local government corporation;

(C) a nonprofit corporation created to act on behalf of a local government; or

(D) a combination of two or more of the entities described by this subdivision.

(6) "Private entity" includes an individual, corporation, organization, business trust, estate, trust, partnership, and association and any other legal entity that is not a governmental body or agency.

(7) "Sponsor" means:

(A) the City of Kyle;

(B) the City of San Marcos;

(C) the City of Buda;

(D) the Canyon Regional Water Authority; and

(E) any other local government or private entity added to the authority as a sponsor under Section 11010.005.

(8) "Water" includes:

(A) groundwater, percolating or otherwise, notwithstanding the quality of the groundwater;

(B) any surface water, naturally or artificially impounded or in a navigable or nonnavigable watercourse; and

(C) municipal wastewater or industrial wastewater, including municipal wastewater or industrial wastewater that has been treated to a quality suitable for reuse for a beneficial use.

Sec. 11010.002. NATURE OF AUTHORITY. The authority is a regional water authority in Bexar, Caldwell, Comal, Guadalupe, and Hays Counties created under and essential to accomplish the purposes of Section 59, Article XVI, Texas Constitution.

Sec. 11010.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The authority is created to serve a public use and benefit.

(b) All land and other property included in the territory of the authority will benefit from the works and projects to be accomplished by the authority under powers conferred by Section 59, Article XVI, Texas Constitution, and powers granted under this chapter.

Sec. 11010.004. AUTHORITY TERRITORY. (a) The authority is composed of the territory:

(1) of the sponsors, including territory within the municipal boundaries of a sponsor that is a municipality;

(2) located in the service areas of the sponsors as provided by the sponsors' respective certificates of convenience and necessity; and

(3) added to and not excluded from the authority in accordance with applicable law.

(b) Territory added to the authority may be in a county other than a county listed in Section 11010.002.

Sec. 11010.005. METHOD OF ADDING SPONSORS. (a) The governing body of a local government or a private entity, including a water supply corporation, may petition the board to add that local government or private entity as a sponsor.

(b) A petition under Subsection (a) must be submitted in the manner and form required by board rule.

(c) On receipt of a petition under Subsection (a), the board shall set a hearing on the petition and provide notice of the date, time, place, and purpose of the hearing to:

(1) the sponsors of the authority; and

(2) the petitioning local government or private entity.

(d) At the hearing, the board shall determine whether:

(1) the local government or private entity will benefit from being added to the authority as a sponsor; and

(2) it is in the best interest of the authority to add the local government or private entity to the authority as a sponsor.

(e) If, after a hearing on the petition, the board determines that the local government or private entity should be added to the authority as a sponsor, the board shall issue an order:

(1) adding the local government or private entity to the authority;

(2) adding the local government's or private entity's territory or service area to the territory of the authority;

(3) making the local government's or private entity's territory or service area subject to the privileges, duties, assets, and financial obligations of the authority to the same degree as other sponsors already included in the authority; and

(4) stating the proposed effective date of the order.

(f) An order issued under Subsection (e) takes effect on the proposed effective date except as otherwise provided by this section. If the subject of the order is a local government, the proposed effective date must allow enough time for the local government to comply with Subsections (g) and (h).

(g) A local government that is the subject of an order issued under Subsection (e) shall publish notice of the authority's proposal to add the local government to the authority as a sponsor. The notice must:

(1) be published in a newspaper of general circulation in the county in which the local government is located;

(2) be published at least once per week for two consecutive weeks and with the first publication appearing on or before the 14th day before the proposed effective date of the order;

(3) state the proposed effective date of the order adding the local government to the authority as a sponsor; and

(4) include information regarding the right of the local government's voters to petition the governing body of the local government to call an election on the question of authorizing the addition of the local government to the authority as a sponsor and the method of making the petition.

(h) If the governing body of the local government, before the proposed effective date of the order, receives a petition calling for an election on the question of authorizing the addition of the local government to the authority as a sponsor that is signed by at least 10 percent of the local government's registered voters, the governing body shall order a special election on the question. Section 41.001(a), Election Code, does not apply to an election ordered under this subsection.

(i) On receipt of a qualifying petition under Subsection (h), the effective date of the order issued under Subsection (e) is suspended until after the date of the election and the governing body of the local government shall notify the board of the petition and suspension.

(j) If a majority of voters voting in an election held under this section vote in favor of the addition of the local government to the authority as a sponsor, the order issued under Subsection (e) takes effect on the date the result is declared. If a majority of voters voting in the election vote against the addition of the local government to the authority as a sponsor, the order issued under Subsection (e) is ineffective.

Sec. 11010.006. METHOD OF REMOVING SPONSORS. (a) The governing body of a local government or private entity that is a sponsor of the authority may petition the board to be removed from the authority as a sponsor.

(b) A petition under Subsection (a) must be submitted in the manner and form required by board rule.

(c) After receiving a petition under Subsection (a), the board shall decide whether the petitioning sponsor should be removed from the authority as a sponsor and shall by order approve, conditionally approve, or disapprove the petition.

(d) The board may not approve a petition submitted to the board under this section if that action would impair or violate or conflict with the terms of any outstanding bonds, notes, or other obligations of the authority.

(e) An order issued under Subsection (c) that approves or conditionally approves a sponsor's petition to be removed from the authority as a sponsor must address:

(1) all matters related to the removal as determined by the board, including the removal of the territory of the sponsor and territory located in the service area of the sponsor as provided by the sponsor's certificate of convenience and necessity; and

(2) if applicable, any conditions imposed by the board that the petitioning sponsor must satisfy before the board approves the petition, which may include:

(A) payment by the petitioning sponsor of all bonds, notes, or other obligations issued by the authority on behalf of the sponsor;

(B) payment by the petitioning sponsor of the sponsor's pro rata share of any bond, note, or other obligation issued by the authority, other than the bonds, notes, or other obligations described by Paragraph (A), if the payment is allowed under the terms of the bond, note, or other obligation;

(C) conditions related to the ownership or transfer of ownership of real property, facilities, equipment, personnel, and supplies; and

(D) conditions the authority considers necessary for the winding up of activities in connection with the removal of the petitioning sponsor as a sponsor from the authority.

(f) If the board by order conditionally approves a sponsor's petition under Subsection (c), the petitioning sponsor remains a sponsor and shall make all payments owed to the authority when due and shall satisfy all conditions included in the order. The board shall approve the petition immediately after all required payments to the authority are received and all conditions included in the order are satisfied as determined by the board.

(g) The removal of a local government or private entity from the authority as a sponsor under this section does not prohibit the local government or private entity from contracting with the authority for the provision of water supply, wastewater treatment, or other services provided by the authority.

Sec. 11010.007. REAPPORTIONMENT OF DIRECTORS. After the addition or removal of a sponsor under this subchapter, the board by rule shall reapportion the directors of the authority among the sponsors in accordance with Section 11010.051(c)(2). The board may increase or decrease the number of directors on the board in accordance with Section 11010.051(a).

Sec. 11010.008. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed to effect its purposes.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 11010.051. DIRECTORS. (a) The authority is governed by a board of directors consisting of at least 7 and not more than 17 members.

(b) The board is responsible for the management, operation, and control of the authority.

(c) The board by rule shall:

(1) establish the number of directors of the authority; and

(2) apportion the directors for each sponsor based on the amount of water contracted to be supplied to the sponsor under the terms of the authority's water supply contract with the sponsor, subject to Section 11010.053(a).

Sec. 11010.052. ELIGIBILITY TO SERVE AS DIRECTOR. (a) To be eligible to serve as a director, a person must be:

(1) at least 18 years of age; and

(2) a resident of the territory located in the authority or an employee of a sponsor.

(b) A director who also serves on the governing body of a sponsor is not a dual officeholder and is not prohibited by the common law doctrine of incompatibility from serving on both the board and the governing body.

(c) Service on the board by a public officeholder is an additional duty of that person's office.

Sec. 11010.053. APPOINTMENT OF DIRECTORS. (a) Each sponsor is entitled to appoint at least one director.

(b) Each director must be appointed by the governing body of a sponsor in accordance with the rules adopted under Section 11010.051 that govern the apportionment of directors among the sponsors.

(c) Directors must be appointed not earlier than April 1 and not later than April 30 of each year.

Sec. 11010.054. TERMS OF OFFICE. (a) Directors serve staggered three-year terms, with one-third or as near as possible to one-third of the members' terms expiring April 30 of each year.

(b) A director's term begins on May 1 of the year the director is appointed.

(c) A director may not serve more than five consecutive terms as a director.

Sec. 11010.055. REMOVAL OF DIRECTOR. A sponsor that appoints a director may remove the director from office at any time, with or without cause.

Sec. 11010.056. BOARD VACANCY. If there is a vacancy on the board, the governing body of the sponsor that appointed the director who vacated the office shall appoint a director to serve the remainder of the term.

Sec. 11010.057. VOTING AUTHORITY. Each director is entitled to one vote on any issue before the board.

Sec. 11010.058. OFFICERS. At the first meeting of the board after May 1 of each year, the board shall elect officers for the authority, including a chair, vice chair, secretary, and treasurer.

Sec. 11010.059. MEETINGS AND ACTIONS OF BOARD; QUORUM. (a) The board may meet as many times each year as the board considers appropriate.

(b) A majority of the membership of the board constitutes a quorum at a meeting of the board.

(c) A concurrence of a majority of the directors present and voting is sufficient for transacting any business of the authority unless other applicable law, or the authority by rule, requires a concurrence of a greater number of directors for a specific type of decision.

(d) Directors of the authority are public officials and are entitled to governmental immunity for their actions in their capacity as directors and officers of the authority.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 11010.101. GENERAL POWERS AND DUTIES. (a) The authority may:

(1) acquire, purchase, own, hold, lease, construct, improve, and maintain a reservoir, groundwater well, or other source of water supply, including:

(A) groundwater, surface water, and wastewater reused directly or indirectly; and

(B) aquifer storage and recovery facilities;

(2) acquire, own, construct, operate, repair, improve, maintain, or extend, inside or outside the authority's boundaries, water and wastewater works, improvements, facilities, plants, pipelines, equipment, and appliances for:

(A) the treatment and transportation of water and wastewater;

(B) the direct or indirect reuse of wastewater;

(C) aquifer storage and recovery projects; and

(D) the provision of wholesale water and wastewater services to authority customers, municipalities, districts, water supply corporations, and other persons in this state;

(3) acquire, purchase, own, hold, lease, and maintain interests, including capacity rights and other contractual rights, in sources of water supply, reservoirs, groundwater wells, water and wastewater systems, treatment works, improvements, facilities, plants, equipment, appliances, aquifer storage and recovery projects, and the direct or indirect reuse of wastewater;

(4) finance any purchase or acquisition through a bond, note, or other obligation under Subchapter E, or through a lease-purchase agreement; and

(5) sell, lease, convey, or otherwise dispose of any right, interest, or property the authority considers to be unnecessary for the efficient operation or maintenance of the authority's facilities.

(b) In addition to the powers specifically provided by this chapter, the authority may exercise the powers provided by Section 65.201, Water Code.

Sec. 11010.102. AUTHORITY POLICIES, RULES, AND BYLAWS. The authority may adopt and enforce policies, rules, and bylaws reasonably required to implement this chapter, including rules governing procedures before the board and rules regarding implementation, enforcement, and any other matters related to the exercise of the rights, powers, privileges, and functions conferred on the authority by this chapter for the provision of water and wastewater service.

Sec. 11010.103. EMINENT DOMAIN. (a) The authority may exercise the power of eminent domain to acquire a fee simple or other interest in property if the interest is necessary for the authority to exercise the rights or authority conferred by this chapter.

(b) The authority shall exercise the right of eminent domain in the manner provided by Chapter 21, Property Code. The authority is not required to give bond for appeal or bond for costs in a condemnation suit or other suit to which it is a party.

(c) The authority may not use the power of eminent domain for the condemnation of land for the purpose of acquiring rights to groundwater or for the purpose of acquiring water or water rights.

Sec. 11010.104. WATER CONSERVATION OR DROUGHT CONTINGENCY PLANS. The authority by rule may develop, prepare, revise, adopt, implement, enforce, and manage water conservation or drought contingency plans for the authority or any portion of the authority.

Sec. 11010.105. SPONSOR CONVEYANCES AND ACQUISITIONS. (a) In this section, "utility system" has the meaning assigned by Section 1502.001, Government Code.

(b) A sponsor may convey a utility system facility or asset or the sponsor's interest in a utility system facility or asset to the authority without holding an election to approve the conveyance.

(c) A sponsor is exempt from the provisions of Chapter 1502, Government Code, regarding the conveyance, sale, or acquisition of a utility system, or any related works, improvements, facilities, plants, equipment, or appliances.

Sec. 11010.106. CONTRACTS. (a) The authority may contract with any person to carry out a power authorized by this chapter.

(b) A person who enters into a contract with the authority may pledge to the payment of the contract any source of revenue that may be available to the person, including ad valorem taxes, if the person has the authority to impose those taxes.

(c) Payments made under a contract with the authority constitute an operating expense of the person served under the contract, unless otherwise prohibited by a previously outstanding obligation of the person. To the extent a person pledges funds to the payment of the contract that are to be derived from the person's own water system, the payments constitute an operating expense of that system.

Sec. 11010.107. COOPERATIVE CONTRACTS. The authority may enter into an interlocal contract with a local government under Chapter 791, Government Code, to carry out a power of the authority.

Sec. 11010.108. RATES AND FEES. (a) The authority shall establish rates and fees to be assessed against sponsors and customers of the authority. The rates and fees may be established by classes of customers, by project, or by area of service.

(b) A sponsor, local government, water supply corporation, private entity, or other person that contracts with the authority shall establish, charge, and collect fees, rates, charges, rentals, and other amounts for any service or facility provided under or in connection with a contract with the authority and shall pledge sufficient amounts to make all payments required under the contract.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 11010.151. AD VALOREM TAXES PROHIBITED. The authority may not impose an ad valorem tax.

Sec. 11010.152. GIFTS, GRANTS, LOANS, AND OTHER FUNDS. The authority may apply for, accept, receive, and administer gifts, grants, loans, and other funds available from any source.

SUBCHAPTER E. BONDS, NOTES, AND OTHER OBLIGATIONS

Sec. 11010.201. REVENUE BONDS, NOTES, AND OTHER OBLIGATIONS. (a) In addition to bonds, notes, and other obligations that the authority is authorized to issue under other law, to accomplish the purposes of the authority, the authority may issue bonds, notes, or other obligations payable solely from and secured by all or part of any funds or any revenue from any source or sources, including:

(1) fees, rates, and other charges the authority imposes or collects;

(2) the sale of:

(A) water;

(B) water or wastewater services;

(C) water rights or capacity;

(D) water transmission rights, capacity, or services;

(E) water pumping;

(F) wastewater reused directly or indirectly;

(G) aquifer storage and recovery services;

(H) sewer services; or

(I) any other service or product of the authority provided inside or outside the boundaries of the authority;

(3) grants or gifts;

(4) the ownership or operation of all or a designated part of the authority's works, improvements, facilities, plants, or equipment; and

(5) the proceeds of contracts.

(b) Bonds, notes, or other obligations issued by the authority may be first or subordinate lien obligations at the board's discretion.

(c) In connection with any bonds, notes, or other obligations of the authority, the authority may exercise any power of an issuer under Chapter 1371, Government Code.

(d) The authority may conduct a public, private, or negotiated sale of the bonds, notes, or other obligations.

(e) The authority may enter into one or more indentures of trust to further secure its bonds, notes, or other obligations.

(f) The authority may issue bonds, notes, or other obligations in more than one series as necessary to carry out the purposes of this chapter. In issuing bonds, notes, or other obligations secured by revenue of the authority, the authority may reserve the right to issue additional bonds, notes, or other obligations secured by the authority's revenue that are on parity with or are senior or subordinate to the bonds, notes, or other obligations issued earlier.

(g) A resolution of the board or a trust indenture securing the bonds, notes, or other obligations may specify additional provisions that constitute a contract between the authority and the authority's bondholders, noteholders, or other obligation holders.

(h) Bonds, notes, or other obligations may be additionally secured by deed of trust or mortgage on any or all of the authority's facilities.

(i) The authority provided by this chapter for the authorization and issuance of bonds, notes, and other obligations is in addition to, and not in lieu of, the authority otherwise established under general law and may not be construed as a limitation on, or a modification of, general law providing for authorization and issuance of bonds, notes, and other forms of obligations. Nothing in this chapter may be construed as affecting any existing contract, bond, note, or other obligation of the authority or any indenture, covenant, mortgage, or other agreement relating to them.

Sec. 11010.202. ELECTION NOT REQUIRED. The authority is not required to hold an election to approve the issuance of revenue bonds or notes or of other obligations under this subchapter.

Sec. 11010.203. USE OF REVENUE AND GROWTH PROJECTIONS. For the purposes of attorney general review and approval and in lieu of any other manner of demonstrating the ability to pay debt service and satisfy any other pecuniary obligations relating to bonds, notes, or other obligations, the authority may demonstrate the authority's ability to satisfy the debt service and those obligations using accumulated funds of the authority and revenue and growth projections prepared by a professional utility rate consultant at the direction of the authority. If the resolution authorizing the issuance of the bonds, notes, or other obligations provides that the authority intends to increase rates to the extent necessary to pay debt service and satisfy any other pecuniary obligations arising under the bonds, notes, or other obligations, the revenue projections prepared by a professional utility rate consultant may include forecast rate increases and accumulated and available fund balances as determined by the authority.

Sec. 11010.204. REFUNDING BONDS. The authority may issue refunding bonds, notes, and other obligations to refund any of its bonds, notes, or other obligations in any manner provided by law, including Chapter 1207, Government Code.

Sec. 11010.205. BONDS, NOTES, AND OTHER OBLIGATIONS EXEMPT FROM TAXATION. A bond, note, or other obligation issued under this chapter, a transaction related to the bond, note, or other obligation, the interest on the bond, note, or other obligation, and the profit from the sale of the bond, note, or other obligation are exempt from taxation by this state or a political subdivision of this state.

SECTION 3. On the effective date of this Act:

(1) the Alliance Regional Water Authority shall assume all assets, liabilities, bonds, notes, and other obligations of the Hays Caldwell Public Utility Agency;

(2) all contracts and written agreements of the Hays Caldwell Public Utility Agency are assigned to and assumed by the Alliance Regional Water Authority; and

(3) the Alliance Regional Water Authority may refund all or a portion of the bonds, notes, or other obligations issued by the Hays Caldwell Public Utility Agency in any manner provided by law, including Chapter 1207, Government Code.

SECTION 4. (a) The sponsors of the Alliance Regional Water Authority shall appoint the initial directors under Section 11010.053, Special District Local Laws Code, as added by this Act, not earlier than April 1, 2018, and not later than April 30, 2018. Directors of the Hays Caldwell Public Utility Agency serving on the effective date of this Act shall serve as the temporary directors of the Alliance Regional Water Authority until the initial directors take office on May 1, 2018.

(b) As soon as practicable after the initial directors have been appointed under Section 11010.053, Special District Local Laws Code, as added by this Act, the initial directors shall draw lots to determine which directors serve a one-year term expiring April 30, 2019, which directors serve a two-year term expiring April 30, 2020, and which directors serve a three-year term expiring April 30, 2021. The lots must be split into thirds or as near to thirds as possible.

(c) This section expires January 1, 2022.

SECTION 5. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.

(d) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to **SB 1198**.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Burton, Campbell, Creighton, Estes, Garcia, Hall, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Buckingham, Taylor of Collin.

SENATE BILL 1566 WITH HOUSE AMENDMENTS

Senator Kolkhorst called **SB 1566** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1566** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 26.011, Education Code, is amended to read as follows:

Sec. 26.011. COMPLAINTS. (a) The board of trustees of each school district shall adopt a grievance procedure under which the board shall address each complaint that the board receives concerning violation of a right guaranteed by this chapter.

(b) The board of trustees of a school district is not required by Subsection (a) or Section 11.1511(b)(13) to address a complaint that the board receives concerning a student's participation in an extracurricular activity that does not involve a violation of a right guaranteed by this chapter. This subsection does not affect a claim brought by a parent under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) or a successor federal statute addressing special education services for a child with a disability.

Floor Amendment No. 2

Amend **SB 1566** (house committee report) as follows:

(1) On page 1, line 15, insert "amending (c)" before "adding".

(2) On page 1, line 15, insert ", (c-2), (c-3)," between "(c-1) and "and".

(3) Amend SECTION 2 as follows:

(c) A member of the board of trustees of the district, when acting in the member's official capacity, has an inherent right of access to information, documents, and records maintained by the district, and the district shall provide the information, documents, and records to the member without requiring the member to submit a public information request under Chapter 552, Government Code. The district shall

provide the information, documents, and records to the member without regard to whether the requested items are the subject of or relate to an item listed on an agenda for an upcoming meeting. The district may withhold or redact information, a document, or a record requested by a member of the board to the extent that the item is excepted from disclosure or is confidential under Chapter 552, Government Code, or other law. ~~This subsection does not required the district to provide information, documents, and records that are not subject to disclosure under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g).~~

(c-2) If a district does not provide requested information to a member of the board of trustees in the time required under Subsection (c-1), the member may bring suit against the district for appropriate injunctive relief. A member who prevails in a suit under this subsection is entitled to recover court costs and reasonable attorney's fees. The district shall pay the costs and fees from the budget of the superintendent's office.

(c-3) A board member shall maintain the confidentiality of information, documents, and records received under Subsection (c) as required by the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) and any other applicable privacy laws.

Floor Amendment No. 3

Amend **SB 1566** (house committee report) by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Chapter 12A, Education Code, is amended by adding Section 12A.0071 to read as follows:

Sec. 12A.0071. POSTING OF LOCAL INNOVATION PLAN. (a) A school district designated as a district of innovation shall ensure that a copy of the district's current local innovation plan is available to the public by posting and maintaining the plan in a prominent location on the district's Internet website.

(b) Not later than the 15th day after the date on which the board of trustees adopts a proposed local innovation plan, adopts a proposed amendment of a local innovation plan, or renews a local innovation plan, the district shall provide a copy of the current local innovation plan to the agency. The agency shall promptly post the current local innovation plan on the agency's Internet website.

Floor Amendment No. 4

Amend **SB 1566** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Subchapter Z, Chapter 33, Education Code, is amended by adding Section 33.9031 to read as follows:

Sec. 33.9031. BEFORE-SCHOOL AND AFTER-SCHOOL PROGRAMS. (a) The board of trustees of a school district may establish before-school or after-school programs for students enrolled in elementary or middle school grades. A program established under this section may operate before, after, or before and after school hours.

(b) A student is eligible to participate in a school district's before-school or after-school program if the student:

(1) is enrolled in a public or private school; or

(2) resides within the boundaries of the school district.

(c) A school district shall conduct a request for proposals procurement process to enable the district to determine if contracting with a child-care facility that provides a before-school or after-school program, as defined by Section 42.002, Human Resources Code, to provide the district's before-school or after-school program would serve the district's best interests. Following the request for proposals procurement process, the district may enter into a contract with a child-care facility or implement a before-school or after-school program operated by the district. If the district enters into a contract with a child-care facility, the contract must comply with the requirements of Section 44.031 and may not exceed a term of three years.

(d) The board of trustees of a school district may adopt rules in accordance with Section 11.165 to provide access to school campuses before or after school hours for the purpose of providing a before-school or after-school program.

Floor Amendment No. 5

Amend **SB 1566** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Section 29.918, Education Code, is amended by adding subsections (d), (e), and (f).

(d) A school district or open-enrollment charter school to which this section applies shall, in its plan submitted under Subsection (a):

(1) design a dropout recovery plan that includes career and technology education courses or technology applications courses that lead to industry or career certification;

(2) integrate into the dropout recovery plan research based strategies to assist students in becoming able academically to pursue postsecondary education, including;

(A) high quality, college readiness instruction with strong academic and social supports;

(B) secondary to postsecondary bridging that builds college readiness skills, provides a plan for college completion, and ensures transition counseling; and

(C) information concerning appropriate supports available in the first year of postsecondary enrollment to ensure postsecondary persistence and success, to the extent funds are available for the purpose; and

(3) plan to offer advanced academic and transition opportunities, including dual credit courses and college preparatory courses, such as advanced placement courses.

(e) A school district which this section applies may enter into a partnership with a public junior college in accordance with Section 29.402, Education Code, in order to fulfill a plan submitted under Subsection (a).

(f) Any program designed to fulfill a plan submitted under Subsection (a) must comply with the requirements of Sections 29.081 (e) and (f).

Floor Amendment No. 6

Amend **SB 1566** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Chapter 37, Education Code, is amended by adding Section 37.0815 to read as follows:

Sec. 37.0815. TRANSPORTATION OR STORAGE OF FIREARM AND AMMUNITION BY LICENSE HOLDER IN SCHOOL PARKING AREA. A school district or open-enrollment charter school may not prohibit a person, including a school employee, who holds a license to carry a handgun under Subchapter H, Chapter 411, Government Code, from transporting or storing a handgun or other firearm or ammunition in a locked, privately owned or leased motor vehicle in a parking lot, parking garage, or other parking area provided by the district or charter school, provided that the handgun, firearm, or ammunition is not in plain view.

(c) This section does not authorize a person to possess, transport, or store a handgun, a firearm, or ammunition in violation of Section 37.125 of this code, Section 46.03 or 46.035, Penal Code, or other law.

Floor Amendment No. 7

Amend **SB 1566** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Subchapter A, Chapter 38, Education Code, is amended by adding Section 38.031 to read as follows:

Sec. 38.031. NOTICE OF LICE. (a) The Board of Trustees of an independent school district shall adopt a policy requiring school nurse of a public elementary school who determines or otherwise becomes aware that a child enrolled in the school has lice shall provide written or electronic notice of that fact to:

(1) the parent of the child with lice as soon as practicable but not later than 48 hours after the administrator or nurse, as applicable, determines or becomes aware of that fact; and

(2) the parent of each child assigned to the same classroom as the child with lice not later than the fifth school day after the date on which the administrator or nurse, as applicable, determines or becomes aware of that fact.

(b) The notice provided under Subsection (a):

(1) must include the recommendations of the Centers for Disease Control and Prevention for the treatment and prevention of lice; and

(2) if the notice is provided under Subsection (a)(2), may not identify the child with lice.

(c) The commissioner shall adopt rules as necessary to implement this section in a manner that complies with federal law regarding confidentiality of student medical or educational information, including the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) and the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), and any state law relating to the privacy of student information.

SECTION ____. Section 38.031, Education Code, as added by this Act, applies beginning with the 2017-2018 school year.

Floor Amendment No. 8

Amend **SB 1566** (house committee printing) by amending SECTION 1, Subchapter D, Chapter 11.151, Education Code, by adding a new subsection (f), and a new SECTION 8 and 9, and renumbering the subsequent SECTIONS accordingly:

In SECTION 1. Subchapter D, Chapter 11,151, Education Code, add a new subsection (f) to read as follows:

(f) for purposes of this section, a county board of education as defined by a board county school trustees, and office of county school superintendent in a county with a population of 2.2 million or more and that is adjacent to a county with a population of more then 800,000, is included within the definition of a school district, and subject to the oversight of the agency.

After SECTION 8 in **SB 1566**, add new SECTION 8 and SECTION 9 and renumber the remaining SECTIONS accordingly, to read as follows:

SECTION 8. (a) Each county board of education, board of county school trustees, and office of county school superintendent in a county with a population of 2.2 million or more and that is adjacent to a county with a population of more than 800,000 is abolished effective November 15, 2017, unless the continuation of the county board of education, board of county school trustees, and office of county school superintendent is approved by a majority of voters at an election held on the November 2017 uniform election date in the county in which the county board of education, board of county school trustees, and office of county school superintendent are located. Subsections (b)-(q) of this section do not take effect in a county if the continuation of the county board of education, board of county school trustees, and office of county school superintendent is approved at the election held in the county under this susbsection.

(b) Not later than November 15, 2017, a dissolution committee shall be formed for each county board of education or board of county school trustees to be abolished as provided by Subsection (a) of this section. The dissolution committee is responsible for all financial decisions for each county board of education or board of county school trustees abolished by this Act, including asset distribution and payment of all debt obligations.

(c) A dissolution committee required by this Act shall be appointed by the comptroller and include:

(1) one financial advisor;

(2) the superintendent or the superintendent's designee of each participating component school district that chooses to participate in the dissolution committee; (3) one certified public accountant;

(4) one auditor who holds a license or other professional credential;

(5) one bond counsel who holds a license or other professional credential;

(6) one additional representative appointed by the commissioner of education.

(d) A dissolution committee created under this Act is subject to the open meetings requirements under Chapter 551, Government Code, and public information requirements under Chapter 552, Government Code.

(e) Members of a dissolution committee may not receive compensation but are entitled to reimbursement for actual and necessary expenses incurred in performing the functions of the dissolution committee.

(f) Subject to the other requirements of this Act, the dissolution committee shall determine the manner in which all assets, liabilities, contracts, and services of the county board of education or board of county school trustees abolished by this Act are divided, transferred, or discontinued. The dissolution committee shall create a sinking fund to deposit all money received in the abolishment of each county board of education or board of county school trustees for the payment of all debts of the county board of education or board of county school trustees.

(g) The dissolution committee shall continue providing transportation services to participating component school districts for the 2017-2018 school year. The dissolution committee shall maintain current operations and personnel needed to provide the transportation services.

(h) At the end of the 2017-2018 school year all school buses, vehicles, and bus service centers shall be transferred to participating component school districts in proportionate shares equal to the amount of buses currently assigned to each district. The dissolution committee shall audit and confirm assignment of buses by vehicle identification numbers or some other agreed upon means assigned to applicable districts. Final distribution and assignment of these assets will be not later than September 1, 2018, at no cost to the districts.

(i) The dissolution committee may employ for the 2017-2018 school year one person to assist in the abolishment of the county board of education or board of county school trustees.

(j) On September 1, 2017, the participating component school district with the largest number of students in average daily attendance has the right of first refusal to buy, at fair market value, the administrative building of the county board of education or board of county school trustees.

(k) An ad valorem tax assessed by a county board of education or board of county school trustees shall continue to be assessed by the county on behalf of the board for the purpose of paying the principal of and interest on any bonds issued by the county board of education or board of county school trustees until all bonds are paid in full. This subsection applies only to a bond issued before the effective date of this Act for which the tax receipts were obligated. On payment of all bonds issued by the county board of education or board of county school trustees the ad valorem tax may not be assessed.

(l) In the manner provided by rule of the commissioner of education, the county shall collect and use any delinquent taxes imposed by or on behalf of the county board of education or board of county school trustees.

(m) The dissolution committee shall distribute the assets remaining after discharge of the liabilities of the county board of education or board of county school trustees to the component school districts in the county in proportionate shares equal to the proportion that the amount of money a district has submitted to the county board of education or board of county school trustees has to the total amount of money submitted by all districts. The dissolution committee shall liquidate board

assets as necessary to discharge board liabilities and facilitate the distribution of assets. A person authorized by the dissolution committee shall execute any documents necessary to complete the transfer of assets, liabilities, or contracts.

(n) The dissolution committee shall encourage the component school districts to:

(1) continue sharing services received through the county board of education or board of county school trustees; and

(2) give preference to private sector contractors to continue services provided by the county board of education or board of county school trustees.

(o) The chief financial officer and financial advisor for the county board of education or board of county school trustees shall provide assistance to the dissolution committee in abolishing the county board of education or board of county school trustees.

(p) The Texas Education Agency shall provide assistance to a dissolution committee in the distribution of assets, liabilities, contracts, and services of a county board of education or board of county school trustees abolished by this Act.

(q) Any dissolution committee created as provided by this Act is abolished on the date all debt obligations of the county board of education or board of county school trustees are paid in full and all assets distributed to component school districts.

SECTION 9. Chapter 266 (**SB 394**), Acts of the 40th Legislature, Regular Session, 1927 (Article 2700a, Vernon's Texas Civil Statutes), is repealed.

Floor Amendment No. 1 on Third Reading

Amend **SB 1566** on third reading by adding the following appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill accordingly:

SECTION ____. Subchapter C, Chapter 25, Education Code, is amended by adding Section 25.0822 to read as follows:

Sec. 25.0822. PATRIOTIC SOCIETY ACCESS TO STUDENTS. (a) In this section, "patriotic society" means a youth membership organization listed in Title 36 of the United States Code with an educational purpose that promotes patriotism and civic involvement.

(b) At the beginning of each school year, the board of trustees of an independent school district shall adopt a policy to allow the principal of a public school campus to provide representatives of a patriotic society with the opportunity to speak to students during regular school hours about membership in the society and the ways in which membership may promote a student's educational interest and level of civic involvement, leading to the student's increased potential for self-improvement and ability to contribute to improving the student's school and community.

(c) The board policy shall give a principal complete discretion over the specific date and time of the opportunity required to be provided under this section, except that the policy shall allow the principal to limit:

(1) the opportunity provided to a patriotic society to a single school day; and

(2) any presentation made to students as a result of the opportunity to 10 minutes in length.

SECTION ____. Section 25.0822, Education Code, as added by this Act, applies beginning with the 2017-2018 school year.

Floor Amendment No. 3 on Third Reading

Amend **SB 1566** on third reading by adding the following appropriately numbered SECTION and renumbering subsequent SECTIONS of the bill accordingly:

Sec. 33.908. GRACE PERIOD POLICY FOR EXHAUSTED OR INSUFFICIENT MEAL CARD OR ACCOUNT BALANCE. The board of trustees of a [~~A~~] school district that allows students to use a prepaid meal card or account to purchase meals served at schools in the district [~~the school~~] shall adopt a grace period policy regarding the use of the cards or accounts. The policy:

(1) must allow a student whose meal card or account balance is exhausted or insufficient to continue, for a period determined by the board [~~district~~], to purchase meals by:

(A) accumulating a negative balance on the student's card or account; or

(B) otherwise receiving an extension of credit from the district;

(2) must require the district to notify the parent of or person standing in parental relation to the student that the student's meal card or account balance is exhausted;

(3) may not permit the district to charge a fee or interest in connection with meals purchased under Subdivision (1); and

(4) may permit the district to set a schedule for repayment on the account balance as part of the notice to the parent or person standing in parental relation to the student.

Floor Amendment No. 4 on Third Reading

Amend **SB 1566** on third reading by amending Amendment No. 8 by Gooden in SECTION 8 of the bill, as added by the amendment, by inserting the following subsection:

(a-1) In an election held in a county under Subsection (a) of this section, the ballot shall be printed to permit voting for or against the proposition: "Authorizing the continued operation of the county board of education, board of county school trustees, and office of the county school superintendent in ____ County and the collection of the ____ County school equalization ad valorem tax."

The amendments were read.

Senator Kolkhorst moved to concur in the House amendments to **SB 1566**.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Campbell, Creighton, Estes, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin, Uresti, West, Whitmire.

Nays: Garcia, Hall, Rodríguez, Watson, Zaffirini.

SENATE BILL 814 WITH HOUSE AMENDMENT

Senator Hinojosa called **SB 814** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 814** (house committee report) as follows:

(1) Strike page 2, line 25, through page 3, line 4, and substitute the following:

(m) If a director is an employee of another taxing entity within the district, the board may not employ as an employee, as a consultant, or on a contract basis:

(1) an elected official of the other taxing entity that employs the director; or

(2) a person related to that elected official in the third degree of consanguinity or affinity as determined under Chapter 573, Government Code.

(2) Strike SECTION 2 of the bill (page 3, lines 5 through 11) and renumber subsequent SECTIONS of the bill accordingly.

The amendment was read.

Senator Hinojosa moved to concur in the House amendment to **SB 814**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Burton.

STATEMENT REGARDING SENATE BILL 814

Senator Lucio submitted the following statement regarding **SB 814**:

Senate Bill 814 passed through the Senate Committee on Intergovernmental Relations, which I chair, on the understanding that a section of the bill relating to employment eligibility of an elected official would not take effect until current officeholders complete their term of office.

The language was removed in House of Representatives on the local calendar, and the bill author concurred with the House amendment against the assurance provided to me as Chair of the Senate Committee that reported the bill. It is my personal code of conduct to not interfere with local bills; however, I too represented La Joya when I was first elected to the Senate, and as a Senator for the region I am still called upon to support their legislative priorities. I support SB 814 but object to removing individuals, elected by the public, because the law changed midterm intentionally codifying a conflict of interest for certain officials. The Senate version of the bill, would have allowed the affected board members to complete their term of office before having to make a choice on whether to retire from office or seek new employment. This may have prevailed had the bill author kept the commitment made.

LUCIO

SENATE BILL 1525 WITH HOUSE AMENDMENT

Senator Perry called **SB 1525** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1525** (house committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Section 11.155, Water Code, is amended to read as follows:

Sec. 11.155. AQUIFER STORAGE AND RECOVERY REPORTS. (a) The board shall make studies, investigations, and surveys of the aquifers in the state as it considers necessary to determine the occurrence, quantity, quality, and availability of aquifers in which water may be stored and subsequently retrieved for beneficial use.

(b) The board, working with appropriate interested persons, including groundwater conservation districts, regional water planning groups, and potential sponsors of aquifer storage and recovery projects, shall:

(1) conduct studies of aquifer storage and recovery projects identified in the state water plan or by interested persons; and

(2) report the results of each study conducted under Subdivision (1) to regional water planning groups and interested persons.

(c) This subsection expires January 1, 2019. The board shall:

(1) conduct a statewide survey of the most favorable areas for aquifer storage and recovery;

(2) prepare a report that includes an overview of the survey conducted under Subdivision (1); and

(3) not later than December 15, 2018, submit the report described by Subdivision (2) to the governor, lieutenant governor, and speaker of the house of representatives. [~~The board shall undertake the studies, investigations, and surveys in the following order of priority:~~

[~~(1) areas designated by the commission as "priority groundwater management areas" under Section 35.008; and~~

[~~(2) other areas of the state in a priority to be determined by the board's ranking of where the greatest need exists.~~]

SECTION ____. The Texas Water Development Board is required to implement Sections 11.155(b) and (c), Water Code, as added by this Act, only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the board may, but is not required to, implement Sections 11.155(b) and (c), Water Code, as added by this Act, using other appropriations available for the purpose.

The amendment was read.

Senator Perry moved to concur in the House amendment to **SB 1525**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1024 WITH HOUSE AMENDMENT

Senator Nelson called **SB 1024** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1024** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the use of certain lighting equipment on airport security vehicles.

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

SECTION 1. Subchapter D, Chapter 22, Transportation Code, is amended by adding Section 22.091 to read as follows:

Sec. 22.091. AIRPORT SECURITY VEHICLES. (a) In this section, "airport security vehicle" means a motor vehicle that:

(1) is owned or leased by a joint board; and

(2) has been designated or authorized by the joint board.

(b) An airport security vehicle may be equipped with flashing blue and amber lights visible from directly in front of the center of the vehicle.

SECTION 2. This Act takes effect September 1, 2017.

The amendment was read.

Senator Nelson moved to concur in the House amendment to **SB 1024**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1992 WITH HOUSE AMENDMENT

Senator Watson called **SB 1992** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1992** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the allocation of housing tax credits to developments within proximate geographical areas.

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

SECTION 1. Section 2306.6711(f), Government Code, is amended to read as follows:

(f) The board may allocate housing tax credits to more than one development in a single community, as defined by department rule, in the same calendar year only if the developments are or will be located more than two linear miles apart or will serve different types of households, as defined by department rule. This subsection applies only to communities contained within counties with populations exceeding 1.5 [~~one~~] million. This subsection does not prohibit the department from adopting rules under this chapter that are specific to other geographic areas of the state.

SECTION 2. The change in law made by this Act applies only to an application for low income housing tax credits that is submitted to the Texas Department of Housing and Community Affairs during an application cycle that is based on the 2018 qualified allocation plan or a subsequent plan adopted by the governing board of the department. An application that is submitted during an application cycle that is based on an earlier qualified allocation plan is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2017.

The amendment was read.

Senator Watson moved to concur in the House amendment to **SB 1992**.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Estes, Garcia, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Burton, Hall, Taylor of Collin.

SENATE BILL 526 WITH HOUSE AMENDMENT

Senator Birdwell called **SB 526** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 526** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the abolishment of certain advisory committees and other state entities.

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

SECTION 1. RESIDENTIAL MORTGAGE FRAUD TASK FORCE. (a) The residential mortgage fraud task force is abolished.

(b) Section 402.033, Government Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

(b) If a person determines or reasonably suspects that fraudulent activity has been committed or is about to be committed, the person shall report the information to an authorized governmental agency. If a person reports the information to the attorney general, the attorney general shall notify an appropriate law enforcement agency with jurisdiction to investigate the fraudulent activity [~~each agency with representation on the residential mortgage fraud task force under Section 402.032~~]. If a financial institution or person voluntarily or pursuant to this section reports fraudulent activity to an authorized governmental agency, the financial institution or person may not notify any person involved in the fraudulent activity that the fraudulent activity has been reported, and the authorized governmental agency who has any knowledge that such report was made shall not disclose to any person involved in the fraudulent activity that the fraudulent activity has been reported. Any financial institution or person that makes a voluntary report of any possible violation of law or regulation to an authorized governmental agency shall not be liable to any person under any law or regulation of the state or the United States for such report.

(d) An authorized governmental agency may share confidential information or information to which access is otherwise restricted by law with one or more other authorized governmental agencies. Except as provided by this subsection, confidential information that is shared under this subsection remains confidential and legal restrictions on access to the information apply.

(c) Section 402.032, Government Code, is repealed.

SECTION 2. ADVISORY OVERSIGHT COMMUNITY OUTREACH COMMITTEE. (a) The Advisory Oversight Community Outreach Committee is abolished.

(b) Section 411.0197, Government Code, is repealed.

SECTION 3. RAIN HARVESTING AND WATER RECYCLING TASK FORCE. (a) The task force under Section 2113.301(h), Government Code, as repealed by this section, is abolished.

(b) Section 2113.301(h), Government Code, is repealed.

SECTION 4. STATE COGENERATION COUNCIL. (a) The State Cogeneration Council is abolished. All rules adopted by the State Cogeneration Council are abolished.

(b) Section 2302.024, Government Code, is amended to read as follows:

Sec. 2302.024. AUTHORITY TO SELL POWER. A [~~(a) After the council has approved the application to construct or operate a cogeneration facility, a~~] cogenerating state agency may contract in the same manner as a qualifying facility for the sale to an electric utility of firm or nonfirm power produced by the state agency cogeneration facility that exceeds the agency's power requirements.

[~~(b) A cogenerating state agency may consult with the council about the price or other terms of a contract entered under this section.~~]

(c) The following provisions of the Government Code are repealed:

(1) Section 2302.001(3);

(2) Sections 2302.002, 2302.003, 2302.004, 2302.005, 2302.006, and 2302.007;

(3) Section 2302.021(a); and

(4) Section 2302.022.

SECTION 5. INFORMATION RESOURCES STEERING COMMITTEE. (a) The information resources steering committee is abolished.

(b) Section 231.013, Family Code, is repealed.

SECTION 6. PREMARITAL EDUCATION HANDBOOK ADVISORY COMMITTEE. (a) The advisory committee under Section 2.014(d), Family Code, as repealed by this section, is abolished.

(b) Section 2.014(d), Family Code, is repealed.

SECTION 7. INDEPENDENT REVIEW ORGANIZATION ADVISORY GROUP. (a) The advisory group under Section 4202.011, Insurance Code, as repealed by this section, is abolished.

(b) Section 4202.011, Insurance Code, is repealed.

SECTION 8. VEHICLE PROTECTION PRODUCT WARRANTOR ADVISORY BOARD. (a) The Vehicle Protection Product Warrantor Advisory Board is abolished.

(b) Subchapter C, Chapter 2306, Occupations Code, is repealed.

SECTION 9. ALTERNATIVE FUELS COUNCIL. (a) The Alternative Fuels Council is abolished.

(b) On the effective date of this Act, a rule, form, policy, procedure, or decision of the Alternative Fuels Council continues in effect as a rule, form, policy, procedure, or decision of the comptroller of public accounts until superseded or repealed by an act of the comptroller.

(c) A vehicle or other property to which Section 113.290, Natural Resources Code, as repealed by this section, applied may be transferred to another person.

(d) Section 1232.106, Government Code, is amended to read as follows:

Sec. 1232.106. EVALUATION OF APPLICATION FOR ASSISTANCE WITH ALTERNATIVE FUEL PROJECTS. (a) The comptroller [~~Alternative Fuels Council~~] shall evaluate an application by an eligible entity for the financing under Section 1232.104 of the acquisition, construction, or improvement of alternative fuels infrastructure and shall determine whether the proposed project will increase energy or cost savings to the applicant.

(b) The authority may not issue an obligation under Section 1232.104 unless the comptroller [~~Alternative Fuels Council~~] certifies that the proposed project will increase energy or cost savings to the applicant.

(c) The comptroller [~~Alternative Fuels Council~~] by rule may adopt procedures and standards for the evaluation of an application for the financing of a proposed project under Section 1232.104.

(e) Subchapter J, Chapter 113, Natural Resources Code, is repealed.

SECTION 10. QUALIFIED AGRICULTURAL LAND AND QUALIFIED TIMBER LAND PROPERTY TAX VALUATION MANUALS APPROVAL COMMITTEES. (a) The committees under Sections 23.52(d) and 23.73(b), Tax Code, before amendment by this section, are abolished.

(b) Section 23.52(d), Tax Code, is amended to read as follows:

(d) The comptroller by rule shall develop and distribute to each appraisal office appraisal manuals setting forth this method of appraising qualified open-space land, and each appraisal office shall use the appraisal manuals in appraising qualified open-space land. The comptroller by rule shall develop and the appraisal office shall enforce procedures to verify that land meets the conditions contained in Subdivision (1) of Section 23.51 [~~of this code~~]. The rules, before taking effect, must be approved by the comptroller with the review and counsel of the Department of Agriculture [~~a majority vote of a committee comprised of the following officials or their designees: the governor, the comptroller, the attorney general, the agriculture commissioner, and the Commissioner of the General Land Office~~].

(c) Section 23.73(b), Tax Code, is amended to read as follows:

(b) The comptroller by rule shall develop and distribute to each appraisal office appraisal manuals setting forth this method of appraising qualified timber land, and each appraisal office shall use the appraisal manuals in appraising qualified timber land. The comptroller by rule shall develop and the appraisal office shall enforce procedures to verify that land meets the conditions contained in Section 23.72 [~~of this code~~]. The rules, before taking effect, must be approved by the comptroller with the review and counsel of the Texas A&M Forest Service [~~majority vote of a committee comprised of the following officials or their designees: the governor, the comptroller, the attorney general, the agriculture commissioner, and the Commissioner of the General Land Office~~].

SECTION 11. COMMUNITIES IN SCHOOLS ADVISORY COMMITTEE. (a) The Communities in Schools advisory committee is abolished.

(b) Section 16, Chapter 1156 (H.B. 2879), Acts of the 77th Legislature, Regular Session, 2001, is repealed.

SECTION 12. EFFECTIVE DATE. This Act takes effect September 1, 2017.

The amendment was read.

Senator Birdwell moved to concur in the House amendment to **SB 526**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 468 WITH HOUSE AMENDMENT

Senator Lucio called **SB 468** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 468** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the extraterritorial jurisdiction of certain municipalities in coastal border counties.

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

SECTION 1. Section 42.0235, Local Government Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) Notwithstanding Section 42.021, and except as provided by Subsection (d), the extraterritorial jurisdiction of a municipality with a population of more than 175,000 located in a county that contains an international border and borders the Gulf of Mexico terminates two miles from the extraterritorial jurisdiction of a neighboring municipality if extension of the extraterritorial jurisdiction beyond that limit would:

(1) completely surround the corporate boundaries or extraterritorial jurisdiction of the neighboring municipality; and

(2) limit the growth of the neighboring municipality by precluding the expansion of the neighboring municipality's extraterritorial jurisdiction.

(d) Extraterritorial jurisdiction for a municipality subject to this section is determined under Section 42.021 if the governing body of the municipality and the governing body of the neighboring municipality each adopt, on or after June 1, 2017, resolutions stating that the determination of extraterritorial jurisdiction under Section 42.0235(a) is not in the best interest of the municipality.

SECTION 2. This Act takes effect September 1, 2017.

The amendment was read.

Senator Lucio moved to concur in the House amendment to **SB 468**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1298 WITH HOUSE AMENDMENT

Senator Huffman called **SB 1298** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1298** (house committee report) by striking SECTIONS 1 and 2 (page 1, lines 4-21), adding the following appropriately numbered SECTIONS, and renumbering existing SECTIONS accordingly:

SECTION ____. Article 19.01, Code of Criminal Procedure, is amended to read as follows:

Art. 19.01. SELECTION AND SUMMONS OF PROSPECTIVE GRAND JURORS. The district judge shall direct that the number of [~~20 to 125~~] prospective grand jurors the judge considers necessary to ensure an adequate number of jurors under Article 19.26 be selected and summoned, with return on summons, in the same manner as for the selection and summons of panels for the trial of civil cases in the district courts. The judge shall try the qualifications for and excuses from service as a grand juror and impanel the completed grand jury as provided by this chapter.

SECTION ____. Article 19.08, Code of Criminal Procedure, is amended to read as follows:

Art. 19.08. QUALIFICATIONS. A [~~No~~] person may [~~shall~~] be selected or serve as a grand juror only if the person [~~who does not possess the following qualifications~~]:

(1) is at least 18 years of age;

(2) is [~~1. The person must be~~] a citizen of the United States;

(3) is a resident of this state, and of the county in which the person is to serve;

(4) is [~~, and be~~] qualified under the Constitution and laws to vote in the [~~said~~] county in which the grand jury is sitting, regardless of whether the person is registered [~~provided that the person's failure to register~~] to vote [~~shall not be held to disqualify the person in this instance~~];

(5) is [~~2. The person must be~~] of sound mind and good moral character;

(6) is [~~3. The person must be~~] able to read and write;

(7) has not [~~4. The person must not have~~] been convicted of misdemeanor theft or a felony;

(8) is not [~~5. The person must not be~~] under indictment or other legal accusation for misdemeanor theft or a felony;

(9) is [~~6. The person must~~] not [~~be~~] related within the third degree of consanguinity or second degree of affinity, as determined under Chapter 573, Government Code, to any person selected to serve or serving on the same grand jury;

(10) has [~~7. The person must~~] not [~~have~~] served as grand juror in the year before the date on which the term of court for which the person has been selected as grand juror begins; and

(11) is [~~8. The person must~~] not [~~be~~] a complainant in any matter to be heard by the grand jury during the term of court for which the person has been selected as a grand juror.

SECTION ____. The changes in law made by this Act apply to a grand jury impaneled on or after the effective date of this Act. A grand jury impaneled before the effective date of this Act is governed by the law in effect on the date the grand jury was impaneled, and the former law is continued in effect for that purpose.

The amendment was read.

Senator Huffman moved to concur in the House amendment to **SB 1298**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE ON HOUSE BILL 2912
(Motion In Writing)

Senator Estes called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2912** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The President asked if there were any motions to instruct the conference committee on **HB 2912** before appointment.

There were no motions offered.

Accordingly, the President announced the appointment of the following conferees on the part of the Senate: Senators Estes, Chair; Creighton, Garcia, Lucio, and Nelson.

SENATE BILL 1444 WITH HOUSE AMENDMENT

Senator West called **SB 1444** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1444** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to de novo hearings in child protection cases.

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

SECTION 1. Section 201.2042, Family Code, is amended by amending Subsection (b) and adding Subsections (c) through (g) to read as follows:

(b) The party requesting a de novo hearing before the referring court shall file notice with the referring court, [~~and~~] the clerk of the referring court, and the associate judge.

(c) A party may not request a de novo hearing on a default judgment or an agreed order.

(d) Proceedings under this section shall be given precedence over other pending matters to the extent necessary to ensure the court reaches a decision promptly.

(e) After notice to the parties, the referring court shall hold a de novo hearing on an associate judge's proposed final order or judgment following a trial on the merits under Subchapter E, Chapter 263, and not later than the 45th day after the date the initial request for a de novo hearing is filed. Unless the referring court has rendered an order disposing of the request for a de novo hearing within the period provided by this subsection, the request for a de novo hearing is considered denied by the referring court.

(f) If the referring court has not held a de novo hearing on an associate judge's proposed order or judgment on or before the 30th day after the date the initial request for a de novo hearing is filed, a party may file a petition for a writ of mandamus to compel the referring court to hold the hearing required by Subsection (e).

(g) Except as provided by Section 201.016, the date the request for a de novo hearing is considered denied under Subsection (e) is the controlling date for the purpose of an appeal to, or a request for other relief from, a court of appeals or the supreme court.

SECTION 2. Sections 201.014(b) and 201.2041(b), Family Code, are repealed.

SECTION 3. The changes in law made by this Act apply only to a request for a de novo hearing that is filed on or after the effective date of this Act. A request for a de novo hearing filed before the effective date of this Act is governed by the law in effect on the date the request was filed, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2017.

The amendment was read.

Senator West moved to concur in the House amendment to **SB 1444**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 807 WITH HOUSE AMENDMENT

Senator Creighton called **SB 807** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 807** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to choice of law and venue for certain construction contracts.

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

SECTION 1. The heading to Chapter 272, Business & Commerce Code, is amended to read as follows:

CHAPTER 272. LAW APPLICABLE TO CERTAIN CONSTRUCTION CONTRACTS [~~FOR CONSTRUCTION OR REPAIR OF REAL PROPERTY IMPROVEMENTS~~]

SECTION 2. Chapter 272, Business & Commerce Code, is amended by adding Section 272.0001 and amending Sections 272.001 and 272.002 to read as follows:

Sec. 272.0001. DEFINITION. In this chapter, "construction contract" means a contract, subcontract, or agreement entered into or made by an owner, architect, engineer, contractor, construction manager, subcontractor, supplier, or material or equipment lessor for the design, construction, alteration, renovation, remodeling, or repair of, or for the furnishing of material or equipment for, a building, structure, appurtenance, or other improvement to or on public or private real property, including moving, demolition, and excavation connected with the real property. The term

includes an agreement to which an architect, engineer, or contractor and an owner's lender are parties regarding an assignment of the construction contract or other modifications thereto.

Sec. 272.001. VOIDABLE CONTRACT PROVISION. (a) This section applies only to a construction contract concerning [~~that is principally for the construction or repair of an improvement to~~] real property located in this state.

(b) If a construction contract or an agreement collateral to or affecting the construction contract contains a provision making the contract or agreement or any conflict arising under the contract or agreement subject to another state's law, litigation in the courts of another state, or arbitration in another state, that provision is voidable by a [~~the~~] party obligated by the contract or agreement to perform the work that is the subject of the construction contract [~~or repair~~].

Sec. 272.002. INAPPLICABILITY OF CHAPTER [~~CONTRACT PRINCIPALLY FOR CONSTRUCTION OR REPAIR OF REAL PROPERTY IMPROVEMENTS~~]. This chapter does not apply to a construction [~~(a) For purposes of this chapter, a contract is principally for the construction or repair of an improvement to real property located in this state if the contract obligates a party, as the party's principal obligation under the contract, to provide labor or labor and materials as a general contractor or subcontractor for the construction or repair of an improvement to real property located in this state.~~

[~~(b) For purposes of this chapter, a contract is not principally for the construction or repair of an improvement to real property located in this state if the~~] contract that:

(1) is a partnership agreement or other agreement governing an entity or trust;

(2) provides for a loan or other extension of credit and the party promising to perform the work that is the subject of the construction contract [~~construct or repair the improvement~~] is doing so as part of the party's agreements with the lender or other person who extends credit; or

(3) is for the management of real property or improvements and the obligation to perform the work that is the subject of the construction contract [~~construct or repair the improvement~~] is part of that management.

[~~(c) Subsections (a) and (b) do not provide an exclusive list of the situations in which a contract is or is not principally for the construction or repair of an improvement to real property located in this state.~~]

SECTION 3. The changes in law made by this Act apply only to a contract, or an agreement collateral to or affecting a contract, entered into on or after the effective date of this Act. A contract, or an agreement collateral to or affecting a contract, entered into before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2017.

The amendment was read.

Senator Creighton moved to concur in the House amendment to **SB 807**.

The motion prevailed by the following vote: Yeas 29, Nays 2.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Campbell, Creighton, Estes, Garcia, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Hall, Taylor of Collin.

SENATE BILL 719 WITH HOUSE AMENDMENT

Senator Zaffirini called **SB 719** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 719** (house committee printing) as follows:

(1) On page 1, line 6, strike "Section 61.0664(a), Education Code, is amended" and substitute "Section 61.0664, Education Code, is amended by amending Subsection (a) and adding Subsections (f), (g), (h), and (i)".

(2) On page 1, between lines 18 and 19, insert the following:

(f) The board, in consultation with public junior college districts, shall identify five junior college districts representative of each of the public junior college district peer groups as identified by the board, with two selected from the peer groups of the largest junior college district, and the geographic diversity of this state for the purpose of implementing a pilot program to develop and recommend minimum reporting language for financial and instructional cost information, including information relating to instruction of persons with intellectual and developmental disabilities. In consultation with the Legislative Budget Board, the junior college districts participating in the program shall study best practices for the reporting of revenue and costs allocated across the districts and the practicability of disaggregating financial and instructional cost information by instructional site within a junior college district. Participants in the study shall consider the following data:

(1) the number of contact hours, including those generated from distance learning;

(2) student attainment of completion milestones as measured by a performance funding formula established by the coordinating board under Section 51.3062(m);

(3) the total amount of state appropriations, tax revenue, in-district and out-of-district tuition and fee revenue, or any other revenue received by the junior college districts and the rates or methods by which those revenues are collected;

(4) the amount of money expended by the junior college districts for programs related to the participation, retention, and graduation of persons with intellectual and developmental disabilities;

(5) a statement of the total amount of money expended by the junior college districts;

(6) the number of full-time and adjunct faculty; and

(7) any other relevant data or reporting methodologies.

(g) Not later than June 1, 2018, the board and the participating junior college districts shall report to the Legislative Budget Board the findings from the study under Subsection (f), including best practices in reporting, methodologies in reporting, and a template for reporting. Each participating junior college district shall report to the board the district's financial and instructional costs using the reporting template not later than:

(1) September 1, 2019, for the state fiscal year ending August 31, 2019; and

(2) September 1, 2020, for the state fiscal year ending August 31, 2020.

(h) To the extent of any conflict, Subsections (f) and (g) prevail over any rider regarding a reporting requirement following the appropriations to Public Community/Junior Colleges in **SB 1**, Acts of the 85th Legislature, Regular Session, 2017 (the General Appropriations Act).

(i) This subsection and Subsections (f), (g), and (h) expire December 31, 2020.

The amendment was read.

Senator Zaffirini moved to concur in the House amendment to **SB 719**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1330 WITH HOUSE AMENDMENT

Senator Seliger called **SB 1330** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1330** (house committee report) by striking SECTION 2 of the bill and renumbering SECTIONS of the bill accordingly.

The amendment was read.

Senator Seliger moved to concur in the House amendment to **SB 1330**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Bettencourt.

SENATE BILL 1099 WITH HOUSE AMENDMENT

Senator Perry called **SB 1099** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 1099** (house committee report) as follows:

(1) On page 1, line 10, strike "The designation is in addition to any other designation.".

(2) On page 1, lines 12 and 13, strike "the highway number,".

(3) On page 1, line 14, strike the underlined comma.

The amendment was read.

Senator Perry moved to concur in the House amendment to **SB 1099**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 1014 WITH HOUSE AMENDMENT

Senator Creighton called **SB 1014** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 1014** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to The Woodlands Township.

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

SECTION 1. Section 8(e), Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

(e) A vacancy in the office of director shall be filled by appointment of a qualified individual by a majority vote of the remaining directors[~~, except that if the number of directors for any reason is less than four, on petition of a resident of or owner of real property in the district, the commission shall appoint the required number of qualified individuals to fill the vacancies~~].

SECTION 2. Section 11B, Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, is amended by adding Subsection (b) to read as follows:

(b) Notwithstanding Subsection (a) of this section, if at least 99 percent of the territory of the district is incorporated and the district is dissolved in the manner provided by Section 14A of this Act, the district or municipality shall apply the proceeds from a hotel occupancy tax imposed under Section 11A of this Act:

(1) for the purposes described by Section 351.101, Tax Code; or

(2) as may otherwise be required in connection with the district's debt and other obligations existing before the incorporation to which the proceeds from a hotel occupancy tax imposed under Section 11A of this Act have been pledged.

SECTION 3. Section 11C(p), Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

(p) Sections 311.002 and 311.014 through 311.017, Tax Code, apply to the district, except that for purposes of this subsection:

(1) a reference in those sections to a municipality means the district and the development zone;

(2) a reference in those sections to an ordinance means an order;

(3) a reference in those sections to a reinvestment zone means a development zone;

(4) a reference in those sections to an agreement made under Subsection (b), Section 311.010, Tax Code, means an agreement made under Subsection (l) of this section;

(5) "development" means initial development;

(6) "redevelopment" means substantial redevelopment;

(7) Section 311.016, Tax Code, applies only if ad valorem taxes are used, in whole or in part, in payment of project costs of a development zone; and

(8) a development zone created without a duration or date of termination may be dissolved by a two-thirds vote of the board of directors of the district or of the governing body of a municipality or other form of local government, other than the development zone, succeeding to the principal assets, powers, functions, and liabilities of the district, but only if:

(A) the development zone has no outstanding indebtedness or other obligations; or

(B) the assets, powers, functions, and liabilities, and any outstanding indebtedness or obligations, of the development zone are expressly assumed by the district or the succeeding municipality or local government.

SECTION 4. Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, is amended by adding Section 14A to read as follows:

Sec. 14A. INCORPORATION. (a) This section prevails over any other provision of this Act that conflicts with or is inconsistent with this section.

(b) Except as provided by Subsections (c) and (f) of this section, and subject to any applicable limitations of the constitution of this state, if the incorporation of at least 99 percent of the territory of the district and the transfer of the rights, powers, privileges, duties, purposes, functions, and responsibilities of the district and the district's authority to issue bonds and impose a tax to the municipality are approved by a majority of the voters voting in an election held for that purpose, including an election described by Section 9(h)(2) of this Act:

(1) the assets, liabilities, obligations, rights, powers, privileges, duties, purposes, functions, and responsibilities of the district and the district's authority to issue bonds and impose a tax are transferred to the municipality; and

(2) the district is dissolved.

(c) If on the date the incorporation of the territory of the district is approved at an election described by Subsection (b) of this section the district owes any debt that cannot be transferred to the municipality, the district is continued until the debt is retired or is restructured in a manner that the debt may be transferred to the municipality.

(d) If the conditions described by Subsection (c) of this section are met:

(1) the board shall adopt an order certifying that the conditions have been met; and

(2) on the effective date of the order:

(A) the assets, liabilities, obligations, rights, powers, privileges, duties, purposes, functions, and responsibilities of the district and the district's authority to issue bonds and impose a tax are transferred to the municipality; and

(B) the district is dissolved.

(e) In addition to any other restructuring methods permitted by law, the district may restructure its outstanding debt for the purpose of transferring the debt to the municipality by issuing refunding bonds secured by:

(1) a limited pledge of ad valorem tax revenue not greater than that authorized to be levied by the municipality;

(2) a pledge of one or more other sources of revenue available to the district that are also available to the municipality under this section or general law; or

(3) a pledge of a combination of revenues described by Subdivisions (1) and (2) of this subsection.

(f) The transfer of assets, liabilities, obligations, rights, powers, privileges, duties, purposes, functions, and responsibilities of the district and the district's authority to issue bonds and impose a tax to the municipality under this section is effective regardless of whether the boundaries of the municipality are coterminous with the boundaries of the district, unless the transfer would materially impair the security for a debt transferred to the municipality. If the transfer would materially impair the security for a debt transferred to the municipality, the debt must be restructured in the manner provided by this section before the transfer may occur.

SECTION 5. Subtitle X, Title 6, Special District Local Laws Code, is amended by adding Chapter 11011 to read as follows:

CHAPTER 11011. THE WOODLANDS TOWNSHIP

Sec. 11011.001. DEFINITION. In this chapter, "district" means The Woodlands Township.

Sec. 11011.002. LAW GOVERNING DISTRICT. The district is governed by this chapter and Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993.

Sec. 11011.003. DISSOLUTION OF DISTRICT. (a) If at least 99 percent of the territory of the district is incorporated and the district is dissolved in the manner provided by Section 14A, Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, only the following sections of Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, apply to the municipality in addition to any applicable general law provisions, a reference in those sections to the district means the municipality, and a reference in those sections to the board or board of directors means the governing body of the municipality:

(1) Sections 6(a) and (c);

(2) Sections 7(a), (b), (c), (e), (f), (g), (h), (i), (j), (l), (n), (o), (p), (q), (r), (t), (u), (v), (w), (y), (z), and (aa);

(3) Section 7H;

(4) Sections 9(h)(3), (4), and (5);

(5) Section 11;

(6) Section 11A;

(7) Section 11B;

(8) Section 11B-1;

(9) Section 11C;

(10) Sections 12A(a), (c), (d), (e), and (f); and

(11) Section 13.

(b) The remaining provisions of Chapter 289, Acts of the 73rd Legislature, Regular Session, 1993, do not apply to the municipality after the dissolution of the district.

SECTION 6. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) The general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.

(e) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendment was read.

Senator Creighton moved to concur in the House amendment to **SB 1014**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 848 WITH HOUSE AMENDMENT

Senator Huffines called **SB 848** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 848** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to the licensing and regulation of providers of driver and traffic safety education.

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

SECTION 1. Sections 1001.055(a), (a-1), and (a-2), Education Code, are amended to read as follows:

(a) The department shall provide to each licensed or exempt driver education school and to each parent-taught course provider approved under this chapter driver education certificates or certificate numbers to enable the school or approved parent-taught course provider to [~~print and~~] issue department-approved driver education certificates to certify completion of an approved driver education course and satisfy the requirements of Sections 521.204(a)(2), Transportation Code, 521.1601, Transportation Code, as added by Chapter 1253 (H.B. 339), Acts of the 81st Legislature, Regular Session, 2009, and 521.1601, Transportation Code, as added by Chapter 1413 (S.B. 1317), Acts of the 81st Legislature, Regular Session, 2009.

(a-1) A certificate [~~printed and~~] issued by a driver education school or parent-taught course provider approved under this chapter must:

(1) be in a form required by the department; and

(2) include an identifying certificate number provided by the department that may be used to verify the authenticity of the certificate with the driver education school or approved parent-taught course provider.

(a-2) A driver education school or parent-taught course provider approved under this chapter that purchases driver education certificate numbers shall issue [~~provide for the printing and issuance of~~] original and duplicate certificates in a manner that, to the greatest extent possible, prevents the unauthorized production or the misuse of the certificates. The driver education school or approved parent-taught course provider shall electronically submit to the department in the manner established by the department data identified by the department relating to issuance of department-approved driver education certificates with the certificate numbers.

SECTION 2. Sections 1001.056(b), (c-1), and (g), Education Code, are amended to read as follows:

(b) The department shall provide each licensed course provider with course completion certificate numbers to enable the provider to [~~print and~~] issue department-approved uniform certificates of course completion.

(c-1) A course provider shall provide for the [~~printing and~~] issuance of original and duplicate certificates in a manner that, to the greatest extent possible, prevents the unauthorized production or the misuse of the certificates.

(g) A course provider shall issue a duplicate certificate by United States mail or commercial or electronic delivery. The commission by rule shall determine the amount of the fee for issuance of a duplicate certificate under this subsection.

SECTION 3. Section 1001.112, Education Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (e) to read as follows:

(a) The commission by rule shall provide for approval of a driver education course conducted by the following persons with the noted relationship to [~~the parent, stepparent, foster parent, legal guardian, grandparent, or step-grandparent of~~] a person who is required to complete a driver education course to obtain a Class C license:

(1) a parent, stepparent, foster parent, legal guardian, grandparent, or step-grandparent; or

(2) an individual who:

(A) has been designated by a parent, a legal guardian, or a judge of a court with jurisdiction over the person on a form prescribed by the department;

(B) is at least 25 years of age or older;

(C) does not charge a fee for conducting the course;

(D) has at least seven years of driving experience; and

(E) otherwise qualifies to conduct a course under Subsection (a-1).

(a-1) The rules must provide that the student driver spend a minimum number of hours in classroom and behind-the-wheel instruction and that the person conducting the course:

(1) possess a valid license for the preceding three years that has not been suspended, revoked, or forfeited in the past three years for an offense that involves the operation of a motor vehicle;

(2) has not been convicted of:

(A) criminally negligent homicide; or

(B) driving while intoxicated in the past seven years; and

(3) [~~is not disabled because of mental illness; and~~

[~~(4)~~] does not have six or more points assigned to the person's driver's license under Subchapter B, Chapter 708, Transportation Code, at the time the person begins conducting the course.

(e) The department may not charge a fee for the submission of proof of completion of the course or passage of an examination under Subsection (c).

SECTION 4. Section 1001.202(b), Education Code, is amended to read as follows:

(b) A driving safety school may use multiple classroom locations to teach a driving safety course if each location[~~:~~

[~~(1)~~] is approved by the [~~parent school and the~~] department[~~;~~

[~~(2) has the same name as the parent school; and~~

[~~(3) has the same ownership as the parent school~~].

SECTION 5. Section 1001.204(b), Education Code, is amended to read as follows:

(b) The department shall approve an application for a driver education school license if the application is submitted on a form approved by the executive director, includes the fee, and on inspection of the premises of the school, it is determined that the school:

(1) has courses, curricula, and instruction of a quality, content, and length that reasonably and adequately achieve the stated objective for which the courses, curricula, and instruction are offered;

(2) has adequate space, equipment, instructional material, and instructors to provide training of good quality in the classroom and behind the wheel;

(3) has instructors who have adequate educational qualifications and experience;

(4) provides to each student before enrollment:

(A) a copy of:

(i) the refund policy;

(ii) the schedule of tuition, fees, and other charges; and

(iii) the regulations relating to absence, grading policy, and rules of operation and conduct; and

(B) the department's name, mailing address, telephone number, and Internet website address for the purpose of directing complaints to the department;

(5) maintains adequate records as prescribed by the department to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;

(6) on completion of training, issues each student a certificate indicating the course name and satisfactory completion;

(7) complies with all county, municipal, state, and federal regulations, including fire, building, and sanitation codes and assumed name registration;

(8) is financially sound and capable of fulfilling its commitments for training;

(9) [~~has owners and instructors who are of good reputation and character;~~

[~~(10)~~] maintains and publishes as part of its student enrollment contract the proper policy for the refund of the unused portion of tuition, fees, and other charges if a student fails to take the course or withdraws or is discontinued from the school at any time before completion;

(10) [~~(11)~~] does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by the department;

(11) [~~(12)~~] does not use a name similar to the name of another existing school or tax-supported educational institution in this state, unless specifically approved in writing by the executive director;

(12) [~~(13)~~] submits to the department for approval the applicable course hour lengths and curriculum content for each course offered by the school;

(13) [~~(14)~~] does not owe an administrative penalty for a violation of this chapter; and

(14) [~~(15)~~] meets any additional criteria required by the department.

SECTION 6. Section 1001.205(b), Education Code, is amended to read as follows:

(b) The department shall approve an application for a driving safety school license if the application is submitted on a form approved by the executive director, includes the fee, and on inspection of the premises of the school, the department determines that the school:

(1) has driving safety courses, curricula, and instruction of a quality, content, and length that reasonably and adequately achieve the stated objective for which the course, curricula, and instruction are developed by the course provider;

(2) has adequate space, equipment, instructional material, and instructors to provide training of good quality;

(3) has instructors who have adequate educational qualifications and experience;

(4) maintains adequate records as prescribed by the department to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;

(5) complies with all county, municipal, state, and federal laws, including fire, building, and sanitation codes and assumed name registration;

(6) [~~has owners and instructors who are of good reputation and character;~~

[~~(7)~~] does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by the department;

(7) [~~(8)~~] does not use a name similar to the name of another existing school or tax-supported educational establishment in this state, unless specifically approved in writing by the executive director;

(8) [~~(9)~~] maintains and uses the approved contract and policies developed by the course provider;

(9) [~~(10)~~] does not owe an administrative penalty for a violation of this chapter;

(10) [~~(11)~~] will not provide a driving safety course to a person for less than $25; and

(11) [~~(12)~~] meets additional criteria required by the department.

SECTION 7. Section 1001.206(b), Education Code, is amended to read as follows:

(b) The department shall approve an application for a course provider license if the application is submitted on a form approved by the executive director, includes the fee, and on inspection of the premises of the school the department determines that:

(1) the course provider has an approved course that at least one licensed driving safety school is willing to offer;

(2) the course provider has adequate educational qualifications and experience;

(3) the course provider will:

(A) develop and provide to each driving safety school that offers the approved course a copy of:

(i) the refund policy; and

(ii) the regulations relating to absence, grading policy, and rules of operation and conduct; and

(B) provide to the driving safety school the department's name, mailing address, telephone number, and Internet website address for the purpose of directing complaints to the department;

(4) a copy of the information provided to each driving safety school under Subdivision (3) will be provided to each student by the school before enrollment;

(5) not later than the 15th working day after the date a person successfully completes the course, the course provider will issue and deliver to the person by United States mail or commercial or electronic delivery a uniform certificate of course completion indicating the course name and successful completion;

(6) the course provider maintains adequate records as prescribed by the department to show attendance and progress or grades and enforces satisfactory standards relating to attendance, progress, and conduct;

(7) the course provider complies with all county, municipal, state, and federal laws, including assumed name registration and other applicable requirements;

(8) the course provider is financially sound and capable of fulfilling its commitments for training;

(9) [~~the course provider is of good reputation and character;~~

[~~(10)~~] the course provider maintains and publishes as a part of its student enrollment contract the proper policy for the refund of the unused portion of tuition, fees, and other charges if a student fails to take the course or withdraws or is discontinued from the school at any time before completion;

(10) [~~(11)~~] the course provider does not use erroneous or misleading advertising, either by actual statement, omission, or intimation, as determined by the department;

(11) [~~(12)~~] the course provider does not use a name similar to the name of another existing school or tax-supported educational institution in this state, unless specifically approved in writing by the executive director;

(12) [~~(13)~~] the course provider does not owe an administrative penalty for a violation of this chapter; and

(13) [~~(14)~~] the course provider meets additional criteria required by the department.

SECTION 8. Section 1001.209(a), Education Code, is amended to read as follows:

(a) Before a license [~~course provider~~] may be issued to a course provider [~~a license~~], the course provider must provide a corporate surety bond in the amount of $10,000 [~~$25,000~~].

SECTION 9. Section 1001.304(a), Education Code, is amended to read as follows:

(a) An application to renew a driver education instructor or driving safety instructor license must include evidence of completion of continuing education [~~and be postmarked at least 30 days before the expiration date of the license~~].

SECTION 10. Section 1001.351(a), Education Code, is amended to read as follows:

(a) Not later than the 15th working day after the course completion date, a course provider or a person at the course provider's facilities shall issue and deliver by United States mail or commercial or electronic delivery a uniform certificate of course completion to a person who successfully completes an approved driving safety course.

SECTION 11. Section 521.205(a), Transportation Code, as amended by Chapter 567 (H.B. 2708), Acts of the 84th Legislature, Regular Session, 2015, is repealed.

SECTION 12. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendment was read.

Senator Huffines moved to concur in the House amendment to **SB 848**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

SENATE BILL 490 WITH HOUSE AMENDMENT

Senator Lucio called **SB 490** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Floor Amendment No. 1

Amend **SB 490** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering SECTIONS of the bill accordingly:

SECTION ____. Section 33.007, Education Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b) During the first school year a student is enrolled in a high school or at the high school level in an open-enrollment charter school, and again during each year of a student's enrollment in high school or at the high school level, a school counselor shall provide information about postsecondary education to the student and the student's parent or guardian. The information must include information regarding:

(1) the importance of postsecondary education;

(2) the advantages of earning an endorsement and a performance acknowledgment and completing the distinguished level of achievement under the foundation high school program under Section 28.025;

(3) the disadvantages of taking courses to prepare for a high school equivalency examination relative to the benefits of taking courses leading to a high school diploma;

(4) financial aid eligibility;

(5) instruction on how to apply for federal financial aid;

(6) the center for financial aid information established under Section 61.0776;

(7) the automatic admission of certain students to general academic teaching institutions as provided by Section 51.803;

(8) the eligibility and academic performance requirements for the TEXAS Grant as provided by Subchapter M, Chapter 56; [~~and~~]

(9) the availability of programs in the district under which a student may earn college credit, including advanced placement programs, dual credit programs, joint high school and college credit programs, and international baccalaureate programs; and

(10) the availability of education and training vouchers and tuition and fee waivers to attend an institution of higher education as provided by Section 54.366 for a student who is or was previously in the conservatorship of the Department of Family and Protective Services.

(b-1) When providing information under Subsection (b)(10), the school counselor must report to the student and the student's parent or guardian the number of times the counselor has provided the information to the student.

The amendment was read.

Senator Lucio moved to concur in the House amendment to **SB 490**.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Campbell, Creighton, Estes, Garcia, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Hall, Nichols, Taylor of Collin.

SENATE BILL 1326 WITH HOUSE AMENDMENTS

Senator Zaffirini called **SB 1326** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 1326** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to procedures regarding criminal defendants who are or may be persons with a mental illness or an intellectual disability and to certain duties of the Office of Court Administration of the Texas Judicial System related to persons with mental illness.

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

SECTION 1. Article 15.17, Code of Criminal Procedure, is amended by adding Subsection (a-1) to read as follows:

(a-1) If a magistrate is provided written or electronic notice of credible information that may establish reasonable cause to believe that a person brought before the magistrate has a mental illness or is a person with an intellectual disability, the magistrate shall conduct the proceedings described by Article 16.22 or 17.032, as appropriate.

SECTION 2. Article 16.22, Code of Criminal Procedure, is amended to read as follows:

Art. 16.22. EARLY IDENTIFICATION OF DEFENDANT SUSPECTED OF HAVING MENTAL ILLNESS OR INTELLECTUAL DISABILITY [~~MENTAL RETARDATION~~]. (a)(1) Not later than 12 [~~72~~] hours after the sheriff or municipal jailer having custody of a defendant for an offense punishable as a Class B misdemeanor or any higher category of offense receives [~~receiving~~] credible information that may establish reasonable cause to believe that the [~~a~~] defendant [~~committed to the sheriff's custody~~] has a mental illness or is a person with an intellectual disability [~~mental retardation, including observation of the defendant's behavior immediately before, during, and after the defendant's arrest and the results of any previous assessment of the defendant~~], the sheriff or municipal jailer shall provide written or electronic notice [~~of the information~~] to the magistrate. The notice must include any information related to the sheriff's or municipal jailer's determination, such as information regarding the defendant's behavior immediately before, during, and after the defendant's arrest and, if applicable, the results of any previous assessment of the defendant. On a determination that there is reasonable cause to believe that the defendant has a mental illness or is a person with an intellectual disability [~~mental retardation~~], the magistrate, except as provided by Subdivision (2), shall order the local mental health [~~or mental retardation~~] authority, local intellectual and developmental disability authority, or another qualified mental health or intellectual disability [~~mental retardation~~] expert to:

(A) collect information regarding whether the defendant has a mental illness as defined by Section 571.003, Health and Safety Code, or is a person with an intellectual disability [~~mental retardation~~] as defined by Section 591.003, Health and Safety Code, including, if applicable, information obtained from any previous assessment of the defendant and information regarding any previously recommended treatment; and

(B) provide to the magistrate a written assessment of the information collected under Paragraph (A) on the form approved by the Texas Correctional Office on Offenders with Medical or Mental Impairments under Section 614.0032(b), Health and Safety Code.

(2) The magistrate is not required to order the collection of information under Subdivision (1) if the defendant in the year preceding the defendant's applicable date of arrest has been determined to have a mental illness or to be a person with an intellectual disability [~~mental retardation~~] by the local mental health [~~or mental retardation~~] authority, local intellectual and developmental disability authority, or another mental health or intellectual disability [~~mental retardation~~] expert described by Subdivision (1). A court that elects to use the results of that previous determination may proceed under Subsection (c).

(3) If the defendant fails or refuses to submit to the collection of information regarding the defendant as required under Subdivision (1), the magistrate may order the defendant to submit to an examination in a jail or in another place [~~mental health facility~~] determined to be appropriate by the local mental health [~~or mental retardation~~] authority or local intellectual and developmental disability authority for a reasonable period not to exceed 72 hours [~~21 days~~]. If applicable, the [~~The magistrate may order a defendant to a facility operated by the Department of State Health Services or the Department of Aging and Disability Services for examination only on request of the local mental health or mental retardation authority and with the consent of the head of the facility. If a defendant who has been ordered to a facility operated by the Department of State Health Services or the Department of Aging and Disability Services for examination remains in the facility for a period exceeding 21 days, the head of that facility shall cause the defendant to be immediately transported to the committing court and placed in the custody of the sheriff of the county in which the committing court is located. That~~] county in which the committing court is located shall reimburse the local mental health authority or local intellectual and developmental disability authority [~~facility~~] for the mileage and per diem expenses of the personnel required to transport the defendant, calculated in accordance with the state travel regulations in effect at the time.

(b) Except as otherwise permitted by the magistrate for good cause shown, a [~~A~~] written assessment of the information collected under Subsection (a)(1)(A) shall be provided to the magistrate:

(1) for a defendant held in custody, not later than 96 hours after the time an order was issued under Subsection (a); or

(2) for a defendant released from custody, not later than the 30th day after the date an [~~of any~~] order was issued under Subsection (a).

(b-1) The [~~in a felony case and not later than the 10th day after the date of any order issued under that subsection in a misdemeanor case, and the~~] magistrate shall provide copies of the written assessment to the defense counsel, the [~~prosecuting~~] attorney representing the state, and the trial court. The written assessment must include a description of the procedures used in the collection of information under Subsection (a)(1)(A) and the applicable expert's observations and findings pertaining to:

(1) whether the defendant is a person who has a mental illness or is a person with an intellectual disability [~~mental retardation~~];

(2) whether there is clinical evidence to support a belief that the defendant may be incompetent to stand trial and should undergo a complete competency examination under Subchapter B, Chapter 46B; and

(3) any appropriate or recommended treatment or service.

(c) After the trial court receives the applicable expert's written assessment relating to the defendant under Subsection (b-1) [~~(b)~~] or elects to use the results of a previous determination as described by Subsection (a)(2), the trial court may, as applicable:

(1) resume criminal proceedings against the defendant, including any appropriate proceedings related to the defendant's release on personal bond under Article 17.032 if the defendant is being held in custody;

(2) resume or initiate competency proceedings, if required, as provided by Chapter 46B or other proceedings affecting the defendant's receipt of appropriate court-ordered mental health or intellectual disability [~~mental retardation~~] services, including proceedings related to the defendant's receipt of outpatient mental health services under Section 574.034, Health and Safety Code; [~~or~~]

(3) consider the written assessment during the punishment phase after a conviction of the offense for which the defendant was arrested, as part of a presentence investigation report, or in connection with the impositions of conditions following placement on community supervision, including deferred adjudication community supervision; or

(4) refer the defendant to an appropriate specialty court established or operated under Subtitle K, Title 2, Government Code.

(d) This article does not prevent the applicable court from, before, during, or after the collection of information regarding the defendant as described by this article:

(1) releasing a defendant who has a mental illness [~~mentally ill~~] or is a person with an intellectual disability [~~mentally retarded defendant~~] from custody on personal or surety bond, including imposing as a condition of release that the defendant submit to an examination or other assessment; or

(2) ordering an examination regarding the defendant's competency to stand trial.

(e) The magistrate shall submit to the Office of Court Administration of the Texas Judicial System on a monthly basis the number of written assessments provided to the court under Subsection (a)(1)(B).

SECTION 3. Articles 17.032(a), (b), (c), and (d), Code of Criminal Procedure, are amended to read as follows:

(a) In this article, "violent offense" means an offense under the following sections of the Penal Code:

(1) Section 19.02 (murder);

(2) Section 19.03 (capital murder);

(3) Section 20.03 (kidnapping);

(4) Section 20.04 (aggravated kidnapping);

(5) Section 21.11 (indecency with a child);

(6) Section 22.01(a)(1) (assault), if the offense involved family violence as defined by Section 71.004, Family Code;

(7) Section 22.011 (sexual assault);

(8) Section 22.02 (aggravated assault);

(9) Section 22.021 (aggravated sexual assault);

(10) Section 22.04 (injury to a child, elderly individual, or disabled individual);

(11) Section 29.03 (aggravated robbery);

(12) Section 21.02 (continuous sexual abuse of young child or children); or

(13) Section 20A.03 (continuous trafficking of persons).

(b) Notwithstanding Article 17.03(b), or a bond schedule adopted or a standing order entered by a judge, a [~~A~~] magistrate shall release a defendant on personal bond unless good cause is shown otherwise if [~~the~~]:

(1) the defendant is not charged with and has not been previously convicted of a violent offense;

(2) the defendant is examined by the local mental health [~~or mental retardation~~] authority, local intellectual and developmental disability authority, or another qualified mental health or intellectual disability expert under Article 16.22 [~~of this code~~];

(3) the applicable expert, in a written assessment submitted to the magistrate under Article 16.22:

(A) concludes that the defendant has a mental illness or is a person with an intellectual disability [~~mental retardation~~] and is nonetheless competent to stand trial; and

(B) recommends mental health treatment or intellectual disability services for the defendant, as applicable; [~~and~~]

(4) the magistrate determines, in consultation with the local mental health [~~or mental retardation~~] authority or local intellectual and developmental disability authority, that appropriate community-based mental health or intellectual disability [~~mental retardation~~] services for the defendant are available in accordance with [~~through the Texas Department of Mental Health and Mental Retardation under~~] Section 534.053 or 534.103, Health and Safety Code, or through another mental health or intellectual disability [~~mental retardation~~] services provider; and

(5) the magistrate finds, after considering all the circumstances, a pretrial risk assessment, if applicable, and any other credible information provided by the attorney representing the state or the defendant, that release on personal bond would reasonably ensure the defendant's appearance in court as required and the safety of the community and the victim of the alleged offense.

(c) The magistrate, unless good cause is shown for not requiring treatment, shall require as a condition of release on personal bond under this article that the defendant submit to outpatient or inpatient mental health [~~or mental retardation~~] treatment or intellectual disability services as recommended by the local mental health [~~or mental retardation~~] authority, local intellectual and developmental disability authority, or another qualified mental health or intellectual disability expert if the defendant's:

(1) mental illness or intellectual disability [~~mental retardation~~] is chronic in nature; or

(2) ability to function independently will continue to deteriorate if the defendant is not treated.

(d) In addition to a condition of release imposed under Subsection (c) [~~of this article~~], the magistrate may require the defendant to comply with other conditions that are reasonably necessary to ensure the defendant's appearance in court as required and the safety of [~~protect~~] the community and the victim of the alleged offense.

SECTION 4. Article 32A.01, Code of Criminal Procedure, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) Insofar as is practicable, the trial of a criminal action shall be given preference over trials of civil cases, and the trial of a criminal action against a defendant who is detained in jail pending trial of the action shall be given preference over trials of other criminal actions not described by Subsection (b) or (c).

(c) Except as provided by Subsection (b), the trial of a criminal action against a defendant who has been determined to be restored to competency under Article 46B.084 shall be given preference over other matters before the court, whether civil or criminal.

SECTION 5. Article 46B.001, Code of Criminal Procedure, is amended by adding Subdivision (9) to read as follows:

(9) "Competency restoration" means the treatment or education process for restoring a person's ability to consult with the person's attorney with a reasonable degree of rational understanding, including a rational and factual understanding of the court proceedings and charges against the person.

SECTION 6. The heading to Article 46B.0095, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.0095. MAXIMUM PERIOD OF COMMITMENT OR [~~OUTPATIENT TREATMENT~~] PROGRAM PARTICIPATION DETERMINED BY MAXIMUM TERM FOR OFFENSE.

SECTION 7. Articles 46B.0095(a), (b), (c), and (d), Code of Criminal Procedure, are amended to read as follows:

(a) A defendant may not, under Subchapter D or E or any other provision of this chapter, be committed to a mental hospital or other inpatient or residential facility or to a jail-based competency restoration program, ordered to participate in an outpatient competency restoration or treatment program, or subjected to any combination of [~~both~~] inpatient treatment, [~~and~~] outpatient competency restoration or treatment program participation, or jail-based competency restoration under this chapter for a cumulative period that exceeds the maximum term provided by law for the offense for which the defendant was to be tried, except that if the defendant is charged with a misdemeanor and has been ordered only to participate in an outpatient competency restoration or treatment program under Subchapter D or E, the maximum period of restoration is two years.

(b) On expiration of the maximum restoration period under Subsection (a), the mental hospital, [~~or other inpatient or residential~~] facility, or [~~outpatient treatment~~] program provider identified in the most recent order of commitment or order of outpatient competency restoration or treatment program participation under this chapter shall assess the defendant to determine if civil proceedings under Subtitle C or D, Title 7, Health and Safety Code, are appropriate. The defendant may be confined

for an additional period in a mental hospital or other [~~inpatient or residential~~] facility or may be ordered to participate for an additional period in an outpatient treatment program, as appropriate, only pursuant to civil proceedings conducted under Subtitle C or D, Title 7, Health and Safety Code, by a court with probate jurisdiction.

(c) The cumulative period described by Subsection (a):

(1) begins on the date the initial order of commitment or initial order for outpatient competency restoration or treatment program participation is entered under this chapter; and

(2) in addition to any inpatient or outpatient competency restoration [~~treatment~~] periods or program participation periods described by Subsection (a), includes any time that, following the entry of an order described by Subdivision (1), the defendant is confined in a correctional facility, as defined by Section 1.07, Penal Code, or is otherwise in the custody of the sheriff during or while awaiting, as applicable:

(A) the defendant's transfer to:

(i) a mental hospital or other inpatient or residential facility; or

(ii) a jail-based competency restoration program;

(B) the defendant's release on bail to participate in an outpatient competency restoration or treatment program; or

(C) a criminal trial following any temporary restoration of the defendant's competency to stand trial.

(d) The court shall credit to the cumulative period described by Subsection (a) any time that a defendant, following arrest for the offense for which the defendant was to be tried, is confined in a correctional facility, as defined by Section 1.07, Penal Code, before the initial order of commitment or initial order for outpatient competency restoration or treatment program participation is entered under this chapter.

SECTION 8. Article 46B.010, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.010. MANDATORY DISMISSAL OF MISDEMEANOR CHARGES. If a court orders that a defendant charged with a misdemeanor punishable by confinement be committed to a mental hospital or other inpatient or residential facility or to a jail-based competency restoration program, that the defendant participate in an outpatient competency restoration or treatment program, or that the defendant be subjected to any combination of [~~both~~] inpatient treatment, [~~and~~] outpatient competency restoration or treatment program participation, or jail-based competency restoration under this chapter, and the defendant is not tried before the expiration of the maximum period of restoration described by Article 46B.0095:

(1) on the motion of the attorney representing the state, the court shall dismiss the charge; or

(2) on the motion of the attorney representing the defendant and notice to the attorney representing the state, the court:

(A) shall set the matter to be heard not later than the 10th day after the date of filing of the motion; and

(B) may dismiss the charge on a finding that the defendant was not tried before the expiration of the maximum period of restoration.

SECTION 9. Article 46B.026, Code of Criminal Procedure, is amended by adding Subsection (d) to read as follows:

(d) The court shall submit to the Office of Court Administration of the Texas Judicial System on a monthly basis the number of reports provided to the court under this article.

SECTION 10. Article 46B.071(a), Code of Criminal Procedure, is amended to read as follows:

(a) Except as provided by Subsection (b), on a determination that a defendant is incompetent to stand trial, the court shall:

(1) if the defendant is charged with an offense punishable as a Class B misdemeanor:

(A) [~~commit the defendant to a facility under Article 46B.073; or~~

[~~(2)~~] release the defendant on bail under Article 46B.0711; or

(B) commit the defendant to:

(i) a jail-based competency restoration program under Article 46B.073(e); or

(ii) a mental health facility or residential care facility under Article 46B.073(f); or

(2) if the defendant is charged with an offense punishable as a Class A misdemeanor or any higher category of offense:

(A) release the defendant on bail under Article 46B.072; or

(B) commit the defendant to a facility or a jail-based competency restoration program under Article 46B.073(c) or (d).

SECTION 11. Subchapter D, Chapter 46B, Code of Criminal Procedure, is amended by adding Article 46B.0711 to read as follows:

Art. 46B.0711. RELEASE ON BAIL FOR CLASS B MISDEMEANOR. (a) This article applies only to a defendant who is subject to an initial restoration period based on Article 46B.071.

(b) Subject to conditions reasonably related to ensuring public safety and the effectiveness of the defendant's treatment, if the court determines that a defendant charged with an offense punishable as a Class B misdemeanor and found incompetent to stand trial is not a danger to others and may be safely treated on an outpatient basis with the specific objective of attaining competency to stand trial, and an appropriate outpatient competency restoration program is available for the defendant, the court shall:

(1) release the defendant on bail or continue the defendant's release on bail; and

(2) order the defendant to participate in an outpatient competency restoration program for a period not to exceed 60 days.

(c) Notwithstanding Subsection (b), the court may order a defendant to participate in an outpatient competency restoration program under this article only if:

(1) the court receives and approves a comprehensive plan that:

(A) provides for the treatment of the defendant for purposes of competency restoration; and

(B) identifies the person who will be responsible for providing that treatment to the defendant; and

(2) the court finds that the treatment proposed by the plan will be available to and will be provided to the defendant.

(d) An order issued under this article may require the defendant to participate in:

(1) as appropriate, an outpatient competency restoration program administered by a community center or an outpatient competency restoration program administered by any other entity that provides competency restoration services; and

(2) an appropriate prescribed regimen of medical, psychiatric, or psychological care or treatment.

SECTION 12. The heading to Article 46B.072, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.072. RELEASE ON BAIL FOR FELONY OR CLASS A MISDEMEANOR.

SECTION 13. Articles 46B.072(a-1), (b), (c), and (d), Code of Criminal Procedure, are amended to read as follows:

(a-1) Subject to conditions reasonably related to ensuring [~~assuring~~] public safety and the effectiveness of the defendant's treatment, if the court determines that a defendant charged with an offense punishable as a felony or a Class A misdemeanor and found incompetent to stand trial is not a danger to others and may be safely treated on an outpatient basis with the specific objective of attaining competency to stand trial, and [~~if~~] an appropriate outpatient competency restoration [~~treatment~~] program is available for the defendant, the court:

(1) may release on bail a defendant found incompetent to stand trial with respect to an offense punishable as a felony or may continue the defendant's release on bail; and

(2) shall release on bail a defendant found incompetent to stand trial with respect to an offense punishable as a Class A [~~a~~] misdemeanor or shall continue the defendant's release on bail.

(b) The court shall order a defendant released on bail under Subsection (a-1) to participate in an outpatient competency restoration [~~treatment~~] program for a period not to exceed 120 days.

(c) Notwithstanding Subsection (a-1), the court may order a defendant to participate in an outpatient competency restoration [~~treatment~~] program under this article only if:

(1) the court receives and approves a comprehensive plan that:

(A) provides for the treatment of the defendant for purposes of competency restoration; and

(B) identifies the person who will be responsible for providing that treatment to the defendant; and

(2) the court finds that the treatment proposed by the plan will be available to and will be provided to the defendant.

(d) An order issued under this article may require the defendant to participate in:

(1) as appropriate, an outpatient competency restoration [~~treatment~~] program administered by a community center or an outpatient competency restoration [~~treatment~~] program administered by any other entity that provides outpatient competency restoration services; and

(2) an appropriate prescribed regimen of medical, psychiatric, or psychological care or treatment, including care or treatment involving the administration of psychoactive medication, including those required under Article 46B.086.

SECTION 14. Article 46B.073, Code of Criminal Procedure, is amended by amending Subsections (b), (c), (d), and (e) and adding Subsection (f) to read as follows:

(b) For purposes of further examination and competency restoration services with [~~treatment toward~~] the specific objective of the defendant attaining competency to stand trial, the court shall commit a defendant described by Subsection (a) to a mental health facility, [~~or~~] residential care facility, or jail-based competency restoration program for the applicable period as follows:

(1) a period of not more than 60 days, if the defendant is charged with an offense punishable as a misdemeanor; or

(2) a period of not more than 120 days, if the defendant is charged with an offense punishable as a felony.

(c) If the defendant is charged with an offense listed in Article 17.032(a), other than an offense under Section 22.01(a)(1), Penal Code [~~listed in Article 17.032(a)(6)~~], or the indictment alleges an affirmative finding under Article 42A.054(c) or (d), the court shall enter an order committing the defendant for competency restoration services to the maximum security unit of any facility designated by the Department of State Health Services, to an agency of the United States operating a mental hospital, or to a Department of Veterans Affairs hospital.

(d) If the defendant is not charged with an offense described by Subsection (c) and the indictment does not allege an affirmative finding under Article 42A.054(c) or (d), the court shall enter an order committing the defendant to a mental health facility or residential care facility determined to be appropriate by the local mental health authority or local intellectual and developmental disability authority or to a jail-based competency restoration program. A defendant may be committed to a jail-based competency restoration program only if the program provider determines the defendant will begin to receive competency restoration services within 72 hours of arriving at the program.

(e) Except as provided by Subsection (f), a defendant charged with an offense punishable as a Class B misdemeanor may be committed under this subchapter only to a jail-based competency restoration program.

(f) A defendant charged with an offense punishable as a Class B misdemeanor may be committed to a mental health facility or residential care facility described by Subsection (d) only if a jail-based competency restoration program is not available or a licensed or qualified mental health professional determines that a jail-based competency restoration program is not appropriate [~~Notwithstanding Subsections (b), (c), and (d) and notwithstanding the contents of the applicable order of commitment, in a county in which the Department of State Health Services operates a jail-based restoration of competency pilot program under Article 46B.090, a defendant for whom an order is issued under this article committing the defendant to a mental health facility or residential care facility shall be provided competency restoration services at the jail under the pilot program if the service provider at the jail determines the~~

~~defendant will immediately begin to receive services. If the service provider at the jail determines the defendant will not immediately begin to receive competency restoration services, the defendant shall be transferred to the appropriate mental health facility or residential care facility as provided by the court order. This subsection expires September 1, 2019~~].

SECTION 15. Article 46B.074(a), Code of Criminal Procedure, is amended to read as follows:

(a) A defendant may be committed to a jail-based competency restoration program, mental health facility, or residential care facility under this subchapter only on competent medical or psychiatric testimony provided by an expert qualified under Article 46B.022.

SECTION 16. Article 46B.075, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.075. TRANSFER OF DEFENDANT TO FACILITY OR [~~OUTPATIENT TREATMENT~~] PROGRAM. An order issued under Article 46B.0711, 46B.072, or 46B.073 must place the defendant in the custody of the sheriff or sheriff's deputy for transportation to the facility or [~~outpatient treatment~~] program, as applicable, in which the defendant is to receive [~~treatment for purposes of~~] competency restoration services.

SECTION 17. Articles 46B.0755(a), (b), and (d), Code of Criminal Procedure, are amended to read as follows:

(a) Notwithstanding any other provision of this subchapter, if the court receives credible evidence indicating that the defendant has been restored to competency at any time after the defendant's incompetency trial under Subchapter C but before the defendant is transported under Article 46B.075 to the [~~a mental health facility, residential care~~] facility[~~,~~] or [~~outpatient treatment~~] program, as applicable, the court may appoint disinterested experts to reexamine the defendant in accordance with Subchapter B. The court is not required to appoint the same expert or experts who performed the initial examination of the defendant under that subchapter.

(b) If after a reexamination of the defendant the applicable expert's report states an opinion that the defendant remains incompetent, the court's order under Article 46B.0711, 46B.072, or 46B.073 remains in effect, and the defendant shall be transported to the facility or [~~outpatient treatment~~] program as required by Article 46B.075. If after a reexamination of the defendant the applicable expert's report states an opinion that the defendant has been restored to competency, the court shall withdraw its order under Article 46B.0711, 46B.072, or 46B.073 and proceed under Subsection (c) or (d).

(d) The court shall hold a hearing to determine whether the defendant has been restored to competency if any party fails to agree or if the court fails to concur that the defendant is competent to stand trial. If a court holds a hearing under this subsection, on the request of the counsel for either party or the motion of the court, a jury shall make the competency determination. For purposes of the hearing, incompetency is presumed, and the defendant's competency must be proved by a preponderance of the evidence. If after the hearing the defendant is again found to be incompetent to stand trial, the court shall issue a new order under Article 46B.0711, 46B.072, or 46B.073, as appropriate based on the defendant's current condition.

SECTION 18. Article 46B.076, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.076. COURT'S ORDER. (a) If the defendant is found incompetent to stand trial, not later than the date of the order of commitment or of release on bail, as applicable, the court shall send a copy of the order to the applicable facility [~~to which the defendant is committed~~] or [~~the outpatient treatment~~] program [~~to which the defendant is released~~]. The court shall also provide to the facility or [~~outpatient treatment~~] program copies of the following made available to the court during the incompetency trial:

(1) reports of each expert;

(2) psychiatric, psychological, or social work reports that relate to the mental condition of the defendant;

(3) documents provided by the attorney representing the state or the attorney representing the defendant that relate to the defendant's current or past mental condition;

(4) copies of the indictment or information and any supporting documents used to establish probable cause in the case;

(5) the defendant's criminal history record; and

(6) the addresses of the attorney representing the state and the attorney representing the defendant.

(b) The court shall order that the transcript of all medical testimony received by the jury or court be promptly prepared by the court reporter and forwarded to the applicable [~~proper~~] facility or [~~outpatient treatment~~] program.

SECTION 19. Article 46B.077, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.077. INDIVIDUAL TREATMENT PROGRAM. (a) The facility or jail-based competency restoration program to which the defendant is committed or the outpatient competency restoration [~~treatment~~] program to which the defendant is released on bail shall:

(1) develop an individual program of treatment;

(2) assess and evaluate whether the defendant is likely to be restored to competency in the foreseeable future; and

(3) report to the court and to the local mental health authority or to the local intellectual and developmental disability authority on the defendant's progress toward achieving competency.

(b) If the defendant is committed to an inpatient mental health facility, [~~or to a~~] residential care facility, or jail-based competency restoration program, the facility or program shall report to the court at least once during the commitment period.

(c) If the defendant is released to an outpatient competency restoration [~~a treatment~~] program [~~not provided by an inpatient mental health facility or a residential care facility~~], the [~~treatment~~] program shall report to the court:

(1) not later than the 14th day after the date on which the defendant's competency restoration services begin [~~treatment begins~~]; and

(2) until the defendant is no longer released to the [~~treatment~~] program, at least once during each 30-day period following the date of the report required by Subdivision (1).

SECTION 20. Article 46B.078, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.078. CHARGES SUBSEQUENTLY DISMISSED. If the charges pending against a defendant are dismissed, the court that issued the order under Article 46B.0711, 46B.072, or 46B.073 shall send a copy of the order of dismissal to the sheriff of the county in which the court is located and to the head of the facility, the provider of the jail-based competency restoration program, or the provider of the outpatient competency restoration [~~treatment~~] program, as appropriate. On receipt of the copy of the order, the facility or [~~outpatient treatment~~] program shall discharge the defendant into the care of the sheriff or sheriff's deputy for transportation in the manner described by Article 46B.082.

SECTION 21. Article 46B.079, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.079. NOTICE AND REPORT TO COURT. (a) The head of the facility, the provider of the jail-based competency restoration program, or the provider of the outpatient competency restoration [~~treatment~~] program, as appropriate, not later than the 15th day before the date on which the initial restoration period is to expire according to the terms of the order or under Article 46B.0095 or other applicable provisions of this chapter, shall notify the applicable court that the period is about to expire.

(b) The head of the facility or jail-based competency restoration [~~or outpatient treatment~~] program provider shall promptly notify the court when the head of the facility or [~~outpatient treatment~~] program provider believes that:

(1) the defendant is clinically ready and can be safely transferred to a competency restoration program for education services but has not yet attained competency to stand trial;

(2) the defendant has attained competency to stand trial; or

(3) [~~(2)~~] the defendant is not likely to attain competency in the foreseeable future.

(b-1) The outpatient competency restoration program provider shall promptly notify the court when the program provider believes that:

(1) the defendant has attained competency to stand trial; or

(2) the defendant is not likely to attain competency in the foreseeable future.

(c) When the head of the facility or [~~outpatient treatment~~] program provider gives notice to the court under Subsection (a), [~~or~~] (b), or (b-1), the head of the facility or [~~outpatient treatment~~] program provider also shall file a final report with the court stating the reason for the proposed discharge or transfer under this chapter and including a list of the types and dosages of medications prescribed for the defendant while the defendant was receiving competency restoration services in the facility or through [~~participating in~~] the [~~outpatient treatment~~] program. The [~~To enable any objection to the findings of the report to be made in a timely manner under Article 46B.084(a-1), the~~] court shall provide [~~copies of the report~~] to the attorney representing the defendant and the attorney representing the state copies of a report based on notice under this article, other than notice under Subsection (b)(1), to enable any objection to the findings of the report to be made in a timely manner as required under Article 46B.084(a-1).

(d) If the head of the facility or [~~outpatient treatment~~] program provider notifies the court that the initial restoration period is about to expire, the notice may contain a request for an extension of the period for an additional period of 60 days and an explanation for the basis of the request. An explanation provided under this subsection must include a description of any evidence indicating a reduction in the severity of the defendant's symptoms or impairment.

SECTION 22. Article 46B.080(a), Code of Criminal Procedure, is amended to read as follows:

(a) On a request of the head of a facility or a [~~treatment~~] program provider that is made under Article 46B.079(d) and notwithstanding any other provision of this subchapter, the court may enter an order extending the initial restoration period for an additional period of 60 days.

SECTION 23. Subchapter D, Chapter 46B, Code of Criminal Procedure, is amended by adding Articles 46B.0805 and 46B.0825 to read as follows:

Art. 46B.0805. COMPETENCY RESTORATION EDUCATION SERVICES. (a) On notification from the head of a facility or a jail-based competency restoration program provider under Article 46B.079(b)(1), the court shall order the defendant to receive competency restoration education services in a jail-based competency restoration program or an outpatient competency restoration program, as appropriate and if available.

(b) If a defendant for whom an order is entered under Subsection (a) was committed for competency restoration to a facility other than a jail-based competency restoration program, the court shall send a copy of that order to:

(1) the sheriff of the county in which the court is located;

(2) the head of the facility to which the defendant was committed for competency restoration; and

(3) the local mental health authority or local intellectual and developmental disability authority, as appropriate.

(c) As soon as practicable but not later than the 10th day after the date of receipt of a copy of an order under Subsection (b)(2), the applicable facility shall discharge the defendant into the care of the sheriff of the county in which the court is located or into the care of the sheriff's deputy. The sheriff or sheriff's deputy shall transport the defendant to the jail-based competency restoration program or outpatient competency restoration program, as appropriate.

(d) A jail-based competency restoration program or outpatient competency restoration program that receives a defendant under this article shall give to the court:

(1) notice regarding the defendant's entry into the program for purposes of receiving competency restoration education services; and

(2) subsequent notice as otherwise required under Article 46B.079.

Art. 46B.0825. ADMINISTRATION OF MEDICATION WHILE IN CUSTODY OF SHERIFF. (a) A sheriff or sheriff's deputy having custody of a defendant for transportation as required by Article 46B.0805 or 46B.082 or during proceedings described by Article 468.084 shall, according to information available at the time and unless directed otherwise by a physician treating the defendant, ensure that the defendant is provided with the types and dosages of medication prescribed for the defendant.

(b) To the extent funds are appropriated for that purpose, a sheriff is entitled to reimbursement from the state for providing the medication required by Subsection (a).

(c) If the sheriff determines that funds are not available from the state to reimburse the sheriff as provided by Subsection (b), the sheriff is not required to comply with Subsection (a).

SECTION 24. Article 46B.081, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.081. RETURN TO COURT. Subject to Article 46B.082(b), a defendant committed or released on bail under this subchapter shall be returned to the applicable court as soon as practicable after notice to the court is provided under Article 46B.079(a), (b)(2), (b)(3), or (b-1) [~~46B.079~~], but not later than the date of expiration of the period for restoration specified by the court under Article 46B.0711, 46B.072, or 46B.073.

SECTION 25. Article 46B.082, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.082. TRANSPORTATION OF DEFENDANT TO COURT. (a) On notification from the court under Article 46B.078, the sheriff of the county in which the court is located or the sheriff's deputy [~~designee~~] shall transport the defendant to the court.

(b) If before the 15th day after the date on which the court received notification under Article 46B.079(a), (b)(2), (b)(3), or (b-1) [~~46B.079~~] a defendant committed to a facility or jail-based competency restoration program or ordered to participate in an outpatient competency restoration [~~treatment~~] program has not been transported to the court that issued the order under Article 46B.0711, 46B.072, or 46B.073, as applicable, the head of the facility or provider of the jail-based competency restoration program to which the defendant is committed or the provider of the outpatient competency restoration [~~treatment~~] program in which the defendant is participating shall cause the defendant to be promptly transported to the court and placed in the custody of the sheriff of the county in which the court is located. The county in which the court is located shall reimburse [~~the Department of State Health Services or~~] the Health and Human [~~Department of Aging and Disability~~] Services Commission or program provider, as appropriate, for the mileage and per diem expenses of the personnel required to transport the defendant, calculated in accordance with rates provided in the General Appropriations Act for state employees.

SECTION 26. Article 46B.083, Code of Criminal Procedure, is amended to read as follows:

Art. 46B.083. SUPPORTING COMMITMENT INFORMATION PROVIDED BY FACILITY [~~HEAD~~] OR [~~OUTPATIENT TREATMENT~~] PROGRAM [~~PROVIDER~~]. (a) If the head of the facility, the jail-based competency restoration program provider, or the outpatient competency restoration [~~treatment~~] program provider believes that the defendant is a person with mental illness and meets the criteria for court-ordered mental health services under Subtitle C, Title 7, Health and Safety Code, the head of the facility or the [~~outpatient treatment~~] program provider shall have submitted to the court a certificate of medical examination for mental illness.

(b) If the head of the facility, the jail-based competency restoration program provider, or the outpatient competency restoration [~~treatment~~] program provider believes that the defendant is a person with an intellectual disability, the head of the facility or the [~~outpatient treatment~~] program provider shall have submitted to the court an affidavit stating the conclusions reached as a result of the examination.

SECTION 27. Article 46B.084(a-1)(1), Code of Criminal Procedure, is amended to read as follows:

(1) Following the defendant's return to the court, the court shall make a determination with regard to the defendant's competency to stand trial. The court may make the determination based only on the most recent report that is filed under Article 46B.079(c) and based on notice under that article, other than notice under Subsection (b)(1) of that article, and on other medical information or personal history information relating to the defendant. A party may object in writing or in open court to the findings of the most recent report not later than the 15th day after the date on which the court received the applicable notice [~~notification~~] under Article 46B.079. The court shall make the determination not later than the 20th day after the date on which the court received the applicable notice [~~notification~~] under Article 46B.079, or not later than the fifth day after the date of the defendant's return to court, whichever occurs first, regardless of whether a party objects to the report as described by this subsection and the issue is set for hearing under Subsection (b).

SECTION 28. Articles 46B.086(a), (b), (c), and (d), Code of Criminal Procedure, are amended to read as follows:

(a) This article applies only to a defendant:

(1) who is determined under this chapter to be incompetent to stand trial;

(2) who either:

(A) remains confined in a correctional facility, as defined by Section 1.07, Penal Code, for a period exceeding 72 hours while awaiting transfer to an inpatient mental health facility, a residential care facility, or an outpatient competency restoration [~~treatment~~] program;

(B) is committed to an inpatient mental health facility, [~~or~~] a residential care facility, or a jail-based competency restoration program for the purpose of competency restoration;

(C) is confined in a correctional facility while awaiting further criminal proceedings following competency restoration [~~treatment~~]; or

(D) is subject to Article 46B.072, if the court has made the determinations required by Subsection (a-1) of that article;

(3) for whom a correctional facility or jail-based competency restoration program that employs or contracts with a licensed psychiatrist, an inpatient mental health facility, a residential care facility, or an outpatient competency restoration [~~treatment~~] program provider has prepared a continuity of care plan that requires the defendant to take psychoactive medications; and

(4) who, after a hearing held under Section 574.106 or 592.156, Health and Safety Code, if applicable, has been found to not meet the criteria prescribed by Sections 574.106(a) and (a-1) or 592.156(a) and (b), Health and Safety Code, for court-ordered administration of psychoactive medications.

(b) If a defendant described by Subsection (a) refuses to take psychoactive medications as required by the defendant's continuity of care plan, the director of the [~~correctional~~] facility or the [~~outpatient treatment~~] program provider, as applicable, shall notify the court in which the criminal proceedings are pending of that fact not later than the end of the next business day following the refusal. The court shall promptly notify the attorney representing the state and the attorney representing the defendant of the defendant's refusal. The attorney representing the state may file a written motion to compel medication. The motion to compel medication must be filed not later than the 15th day after the date a judge issues an order stating that the defendant does not meet the criteria for court-ordered administration of psychoactive medications under Section 574.106 or 592.156, Health and Safety Code, except that, for a defendant in an outpatient competency restoration [~~treatment~~] program, the motion may be filed at any time.

(c) The court, after notice and after a hearing held not later than the 10th day after the motion to compel medication is filed, may authorize the director of the [~~correctional~~] facility or the program provider, as applicable, to have the medication administered to the defendant, by reasonable force if necessary. A hearing under this subsection may be conducted using an electronic broadcast system as provided by Article 46B.013.

(d) The court may issue an order under this article only if the order is supported by the testimony of two physicians, one of whom is the physician at or with the applicable [~~correctional~~] facility or [~~outpatient treatment~~] program who is prescribing the medication as a component of the defendant's continuity of care plan and another who is not otherwise involved in proceedings against the defendant. The court may require either or both physicians to examine the defendant and report on the examination to the court.

SECTION 29. Articles 46B.090(f), (l), and (n), Code of Criminal Procedure, are amended to read as follows:

(f) To contract with the department under Subsection (b), a provider of jail-based competency restoration services must demonstrate to the department that:

(1) the provider:

(A) has previously provided jail-based competency restoration services for one or more years; or

(B) is a local mental health authority that has previously provided competency restoration services;

(2) the provider's jail-based competency restoration program:

(A) uses a multidisciplinary treatment team to provide clinical treatment that is:

(i) directed toward the specific objective of restoring the defendant's competency to stand trial; and

(ii) similar to the clinical treatment provided as part of a competency restoration program at an inpatient mental health facility;

(B) employs or contracts for the services of at least one psychiatrist; and

(C) [~~assigns staff members to defendants participating in the program at an average ratio not lower than 3.7 to 1; and~~

[~~(D)~~] provides weekly treatment hours commensurate to the treatment hours provided as part of a competency restoration program at an inpatient mental health facility;

(3) the provider is certified by a nationwide nonprofit organization that accredits health care organizations and programs, such as the Joint Commission on Health Care Staffing Services, or the provider is a local mental health authority in good standing with the department; and

(4) the provider has a demonstrated history of successful jail-based competency restoration outcomes or, if the provider is a local mental health authority, a demonstrated history of successful competency restoration outcomes.

(l) If the psychiatrist for the provider determines that a defendant ordered to participate in the pilot program has not been restored to competency by the end of the 60th day after the date the defendant began to receive services [~~participate~~] in the pilot program:

(1) for a defendant charged with a felony, the defendant shall be transferred, without unnecessary delay and for the remainder of the period prescribed by Article 46B.073(b), to the first available facility that is appropriate for that defendant as provided by Article 46B.073(c) or (d); and

(2) for a defendant charged with a misdemeanor, the court may:

(A) order a single extension under Article 46B.080 and the transfer of the defendant without unnecessary delay to the appropriate mental health facility or residential care facility as provided by Article 46B.073(d) for the remainder of the period under the extension;

(B) proceed under Subchapter E or F;

(C) release the defendant on bail as permitted under Chapter 17; or

(D) dismiss the charges in accordance with Article 46B.010.

(n) If the department develops and implements a jail-based restoration of competency pilot program under this article, not later than December 1, 2018 [~~2016~~], the commissioner of the department shall submit a report concerning the pilot program to the presiding officers of the standing committees of the senate and house of representatives having primary jurisdiction over health and human services issues and over criminal justice issues. The report must include the information collected by the department during the pilot program and the commissioner's evaluation of the outcome of the program as of the date the report is submitted.

SECTION 30. Subchapter D, Chapter 46B, Code of Criminal Procedure, is amended by adding Article 46B.091 to read as follows:

Art. 46B.091. JAIL-BASED COMPETENCY RESTORATION PROGRAM IMPLEMENTED BY COUNTY. (a) In this article:

(1) "Commission" means the Health and Human Services Commission.

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

(b) A county or counties jointly may develop and implement a jail-based competency restoration program.

(c) A county that implements a program under this article shall contract with a provider of jail-based competency restoration services that is a local mental health authority or local behavioral health authority that is in good standing with the

commission, which may include an authority that is in good standing with the commission and subcontracts with a provider of jail-based competency restoration services.

(d) A jail-based competency restoration program must:

(1) provide jail-based competency restoration services through the use of a multidisciplinary treatment team that are:

(A) directed toward the specific objective of restoring the defendant's competency to stand trial; and

(B) similar to other competency restoration programs;

(2) employ or contract for the services of at least one psychiatrist;

(3) provide jail-based competency restoration services through licensed or qualified mental health professionals;

(4) provide weekly competency restoration hours commensurate to the hours provided as part of a competency restoration program at an inpatient mental health facility;

(5) operate in the jail in a designated space that is separate from the space used for the general population of the jail;

(6) ensure coordination of general health care;

(7) provide mental health treatment and substance use disorder treatment to defendants, as necessary, for competency restoration; and

(8) supply clinically appropriate psychoactive medications for purposes of administering court-ordered medication to defendants as applicable and in accordance with Article 46B.086 of this code or Section 574.106, Health and Safety Code.

(e) The executive commissioner shall adopt rules as necessary for a county to develop and implement a program under this article. The commission shall, as part of the rulemaking process, establish contract monitoring and oversight requirements for a local mental health authority or local behavioral health authority that contracts with a county to provide jail-based competency restoration services under this article. The contract monitoring and oversight requirements must be consistent with local mental health authority or local behavioral health authority performance contract monitoring and oversight requirements, as applicable.

(f) The commission may inspect on behalf of the state any aspect of a program implemented under this article.

(g) A psychiatrist or psychologist for the provider shall conduct at least two full psychiatric or psychological evaluations of the defendant during the period the defendant receives competency restoration services in the jail. The psychiatrist or psychologist must conduct one evaluation not later than the 21st day and one evaluation not later than the 55th day after the date the defendant is committed to the program. The psychiatrist or psychologist shall submit to the court a report concerning each evaluation required under this subsection.

(h) If at any time during a defendant's commitment to a program implemented under this article the psychiatrist or psychologist for the provider determines that the defendant has attained competency to stand trial:

(1) the psychiatrist or psychologist for the provider shall promptly issue and send to the court a report demonstrating that fact; and

(2) the court shall consider that report as the report of an expert stating an opinion that the defendant has been restored to competency for purposes of Article 46B.0755(a) or (b).

(i) If at any time during a defendant's commitment to a program implemented under this article the psychiatrist or psychologist for the provider determines that the defendant's competency to stand trial is unlikely to be restored in the foreseeable future:

(1) the psychiatrist or psychologist for the provider shall promptly issue and send to the court a report demonstrating that fact; and

(2) the court shall:

(A) proceed under Subchapter E or F and order the transfer of the defendant, without unnecessary delay, to the first available facility that is appropriate for that defendant, as provided under Subchapter E or F, as applicable; or

(B) release the defendant on bail as permitted under Chapter 17.

(j) If the psychiatrist or psychologist for the provider determines that a defendant committed to a program implemented under this article has not been restored to competency by the end of the 60th day after the date the defendant began to receive services in the program:

(1) for a defendant charged with a felony, the defendant shall be transferred, without unnecessary delay and for the remainder of the period prescribed by Article 46B.073(b), to the first available facility that is appropriate for that defendant as provided by Article 46B.073(c) or (d); and

(2) for a defendant charged with a misdemeanor, the court may:

(A) order a single extension under Article 46B.080 and, notwithstanding Articles 46B.073(e) and (f), the transfer of the defendant without unnecessary delay to the appropriate mental health facility or residential care facility as provided by Article 46B.073(d) for the remainder of the period under the extension;

(B) proceed under Subchapter E or F;

(C) release the defendant on bail as permitted under Chapter 17; or

(D) dismiss the charges in accordance with Article 46B.010.

(k) Unless otherwise provided by this article, the provisions of this chapter, including the maximum periods prescribed by Article 46B.0095, apply to a defendant receiving competency restoration services, including competency restoration education services, under a program implemented under this article in the same manner as those provisions apply to any other defendant who is subject to proceedings under this chapter.

(l) This article does not affect the responsibility of a county to ensure the safety of a defendant who is committed to the program and to provide the same adequate care to the defendant as is provided to other inmates of the jail in which the defendant is located.

SECTION 31. Subchapter C, Chapter 72, Government Code, is amended by adding Section 72.032 to read as follows:

Sec. 72.032. BEST PRACTICES EDUCATION. The director shall make available to courts information concerning best practices for addressing the needs of persons with mental illness in the court system, including the use of the preferred terms and phrases provided by Section 392.002.

SECTION 32. Chapter 121, Government Code, is amended by adding Section 121.003 to read as follows:

Sec. 121.003. SPECIALTY COURTS REPORT. (a) In this section, "office" means the Office of Court Administration of the Texas Judicial System.

(b) For the period beginning September 1, 2017, and ending September 1, 2018, the office shall collect information from specialty courts in this state regarding outcomes of participants in those specialty courts who are persons with mental illness, including recidivism rates of those participants, and other relevant information as determined by the office.

(c) Not later than December 1, 2018, the office shall submit to the legislature a report containing and evaluating the information collected under Subsection (b).

(d) This section expires September 1, 2019.

SECTION 33. Section 574.034(g), Health and Safety Code, is amended to read as follows:

(g) An order for temporary inpatient or outpatient mental health services shall state that treatment is authorized for not longer than 45 [~~90~~] days, except that the order may specify a period not to exceed 90 days if the judge finds that the longer period is necessary. [~~The order may not specify a shorter period.~~]

SECTION 34. Section 614.0032(b), Health and Safety Code, is amended to read as follows:

(b) The office shall[~~:~~

[~~(1) with the special assistance of committee members appointed under Section 614.002(b)(1):~~

[~~(A) review examinations to determine the competency of defendants in criminal cases to stand trial and examinations to determine the fitness of children to proceed with respect to adjudications of delinquent conduct or conduct indicating a need for supervision; and~~

[~~(B) periodically report to the legislature and the court of criminal appeals findings made as a result of the review described by Paragraph (A); and~~

[~~(2)~~] approve and make generally available in electronic format a standard form for use by experts in reporting competency examination results under Chapter 46B, Code of Criminal Procedure.

SECTION 35. The following provisions are repealed:

(1) Article 46B.026(c), Code of Criminal Procedure;

(2) Article 46B.090(o), Code of Criminal Procedure; and

(3) Section 614.0032(c), Health and Safety Code.

SECTION 36. Not later than November 1, 2017, the executive commissioner of the Health and Human Services Commission shall adopt the rules described by Article 46B.091(e), Code of Criminal Procedure, as added by this Act.

SECTION 37. The changes in law made by this Act apply only to a defendant charged with an offense committed on or after the effective date of this Act. A defendant charged with an offense committed before the effective date of this Act is

governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 38. This Act takes effect September 1, 2017.

Floor Amendment No. 1

Amend **CSSB 1326** (house committee report) on page 28, line 3, by striking "468.084" and substituting "46B.084".

The amendments were read.

Senator Zaffirini moved to concur in the House amendments to **SB 1326**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Nichols.

SENATE BILL 1091 WITH HOUSE AMENDMENTS

Senator Seliger called **SB 1091** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Amendment

Amend **SB 1091** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to limitations on courses that may be offered for dual credit by school districts and public institutions of higher education.

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

SECTION 1. Section 28.009, Education Code, is amended by adding Subsections (a-4) and (a-5) to read as follows:

(a-4) A dual credit course offered under this section must be:

(1) in the core curriculum of the public institution of higher education providing college credit;

(2) a career and technical education course; or

(3) a foreign language course.

(a-5) Subsection (a-4) does not apply to a dual credit course offered as part of the early college education program established under Section 29.908 or any other early college program that assists a student in earning an associate degree while in high school.

SECTION 2. Section 51.968, Education Code, is amended by amending Subsections (b) and (c) and adding Subsections (d) and (d-1) to read as follows:

(b) Each institution of higher education that offers freshman-level courses shall adopt and implement a policy to grant undergraduate course credit to entering freshman students who have:

(1) successfully completed the International Baccalaureate Diploma Program;

(2) [~~, who have~~] achieved required scores on one or more examinations in the Advanced Placement Program or the College-Level Examination Program; [~~;~~] or

(3) [~~who have~~] successfully completed one or more dual credit courses [~~offered through concurrent enrollment in high school and at an institution of higher education~~].

(c) In the policy, the institution shall:

(1) establish the institution's conditions for granting course credit, including the minimum required scores on CLEP examinations, Advanced Placement examinations, and examinations for courses constituting the International Baccalaureate Diploma Program; and

(2) based on the correlations identified under Subsection (f), identify the specific course credit or other academic requirements of the institution, including the number of semester credit hours or other course credit, that the institution will grant to a student who:

(A) successfully completes the diploma program;

(B) achieves required scores on CLEP examinations or Advanced Placement examinations; or

(C) [~~, who~~] successfully completes a dual credit course [~~through concurrent enrollment, or who achieves required scores on CLEP examinations or Advanced Placement examinations~~].

(d) The policy adopted by an institution of higher education under Subsection (b) must provide that the institution may grant undergraduate course credit for a dual credit course only if the course is:

(1) in the core curriculum of the institution of higher education that offered the course;

(2) a career and technical education course; or

(3) a foreign language course.

(d-1) Subsection (d) does not apply to a dual credit course completed by a student as part of the early college education program established under Section 29.908 or any other early college program that assists a student in earning an associate degree while in high school.

SECTION 3. Section 130.008, Education Code, is amended by adding Subsections (a-1) and (a-2) to read as follows:

(a-1) A course offered for joint high school and junior college credit under this section must be:

(1) in the core curriculum of the public junior college;

(2) a career and technical education course; or

(3) a foreign language course.

(a-2) Subsection (a-1) does not apply to a course offered for joint high school and junior college credit to a student as part of the early college education program established under Section 29.908 or any other early college program that assists a student in earning an associate degree while in high school.

SECTION 4. The changes in law made by this Act apply beginning with dual credit courses offered for the 2018 spring semester.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

Floor Amendment No. 1 on Third Reading

Amend **SB 1091** (house committee report) as follows:

(1) On page 1, line 7, strike "(a-4) and (a-5)" and substitute "(a-4), (a-5), and (b-1)".

(2) In each of the following places, between "earning" and "an", insert "a certificate or":

(A) page 1, line 17;

(B) page 3, line 10; and

(C) page 3, line 24.

(3) On page 1, between lines 18 and 19, insert the following:

(b-1) The agency and the Texas Higher Education Coordinating Board shall coordinate as necessary to adopt rules for the implementation of Subsections (a-4) and (a-5). In adopting those rules, the agency and the coordinating board shall use the negotiated rulemaking procedures under Chapter 2008, Government Code, and consult with relevant stakeholders.

(4) On page 1, lines 20 and 21, strike "(d) and (d-1)" and substitute "(d), (d-1), and (d-2)".

(5) On page 3, between lines 11 and 12, insert the following:

(d-2) The coordinating board, in coordination with the Texas Education Agency, shall adopt rules to implement Subsections (d) and (d-1). In adopting those rules, the coordinating board shall use the negotiated rulemaking procedures under Chapter 2008, Government Code, and consult with relevant stakeholders.

(6) On page 3, line 13, strike "(a-1) and (a-2)" and substitute "(a-1), (a-2), and (a-3)".

(7) On page 3, between lines 24 and 25, insert the following:

(a-3) The Texas Higher Education Coordinating Board, in coordination with the Texas Education Agency, shall adopt rules to implement Subsections (a-1) and (a-2). In adopting those rules, the coordinating board shall use the negotiated rulemaking procedures under Chapter 2008, Government Code, and consult with relevant stakeholders.

The amendments were read.

Senator Seliger moved to concur in the House amendments to **SB 1091**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Burton.

BILLS AND RESOLUTIONS SIGNED

The President announced the signing of the following enrolled bills and resolutions in the presence of the Senate after the captions had been read:

SB 102, **SB 227**, **SB 396**, **SB 441**, **SB 546**, **SB 554**, **SB 564**, **SB 570**, **SB 588**, **SB 589**, **SB 744**, **SB 749**, **SB 769**, **SB 825**, **SB 830**, **SB 840**, **SB 873**, **SB 922**, **SB 928**, **SB 948**, **SB 969**, **SB 1004**, **SB 1005**, **SB 1009**, **SB 1037**, **SB 1047**, **SB 1051**, **SB 1063**, **SB 1089**, **SB 1123**, **SB 1158**, **SB 1177**, **SB 1205**, **SB 1250**, **SB 1353**, **SB 1371**, **SB 1384**, **SB 1501**, **SB 1522**, **SB 1676**, **SB 1727**, **SB 1735**, **SB 1767**, **SB 1878**, **SB 1944**, **SB 2068**, **SB 2084**, **SB 2141**, **SB 2166**, **SB 2174**, **SB 2267**, **SB 2275**, **SB 2280**, **SB 2283**, **HB 108**, **HB 136**, **HB 590**, **HB 658**, **HB 912**, **HB 928**, **HB 1170**, **HB 1207**, **HB 1284**, **HB 1296**, **HB 1486**, **HB 1542**, **HB 1545**, **HB 1608**, **HB 1631**, **HB 1661**, **HB 1814**, **HB 1884**, **HB 1934**, **HB 1948**, **HB 1978**, **HB 2004**, **HB 2010**, **HB 2121**, **HB 2533**, **HB 2537**, **HB 2671**, **HB 2774**, **HB 2825**, **HB 2848**, **HB 3016**, **HB 3021**, **HB 3198**, **HB 3294**, **HB 3521**, **HB 3647**, **HB 3976**, **HB 4042**, **HCR 59**, **HJR 21**.

RECESS

On motion of Senator Whitmire, the Senate at 3:38 p.m. recessed until 4:00 p.m. today.

AFTER RECESS

The Senate met at 4:17 p.m. and was called to order by the President.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER
Austin, Texas
Saturday, May 27, 2017 - 1

The Honorable President of the Senate
Senate Chamber
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

SCR 33 Kolkhorst Sponsor: Raymond
Approving the amended 2009 settlement agreement between the State of Texas and the U.S. Department of Justice.

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 322 (144 Yeas, 1 Nays, 2 Present, not voting)

THE HOUSE HAS GRANTED THE REQUEST OF THE SENATE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

SB 463 (non-record vote)
House Conferees: Huberty - Chair/Gooden/Guillen/King, Ken/Workman

SB 762 (non-record vote)
House Conferees: Moody - Chair/Alvarado/Laubenberg/Phelan/Stucky

SB 1001 (non-record vote)
House Conferees: Paul - Chair/Anderson, Charles "Doc"/Perez/Thompson, Ed/Workman

SB 1450 (non-record vote)
House Conferees: Bonnen, Greg - Chair/Frullo/Muñoz, Jr./Paul/Phillips

SB 1731 (non-record vote)
House Conferees: Meyer - Chair/Darby/Kuempel/Landgraf/Rodriguez, Eddie

SB 1784 (non-record vote)
House Conferees: Huberty - Chair/Bernal/Bohac/Koop/Meyer

SB 2014 (non-record vote)
House Conferees: Schubert - Chair/Bell/Bernal/Cosper/Murphy

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

SB 179 (136 Yeas, 11 Nays, 2 Present, not voting)

SB 813 (144 Yeas, 0 Nays, 1 Present, not voting)

SB 1289 (102 Yeas, 33 Nays, 1 Present, not voting)

THE HOUSE HAS RECOMMITTED THE FOLLOWING MEASURES TO CONFERENCE COMMITTEE:

SB 1172 (non-record vote)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

CONFERENCE COMMITTEE REPORT ON SENATE BILL 179 ADOPTED

Senator Menéndez called from the President's table the Conference Committee Report on **SB 179**. The Conference Committee Report was filed with the Senate on Thursday, May 25, 2017.

On motion of Senator Menéndez, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 899

Senator Nelson offered the following resolution:

SR 899, Suspending limitations on conference committee jurisdiction on SB 1.

The resolution was read and was adopted by the following vote: Yeas 31, Nays 0.

(Senator Hughes in Chair)

(Senator Taylor of Collin in Chair)

(President in Chair)

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1 ADOPTED

Senator Nelson called from the President's table the Conference Committee Report on **SB 1**. The Conference Committee Report was filed with the Senate on Thursday, May 25, 2017.

On motion of Senator Nelson, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Garcia.

REMARKS ORDERED PRINTED

On motion of Senator Burton and by unanimous consent, her remarks regarding **SB 1** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Burton: As per Senate Rule 6.06, is the Conference Committee Report for SB 1 susceptible to a question of division, specifically as it relates to the question on utilization of the Economic Stabilization Fund for certain appropriations, as well as the question of appropriations in Article I to certain programs under the economic development and tourism goal housed in the trusteed programs within the office of the Governor? I do not only ask this question for myself but for the other Senators who have expressed reservations about utilizing the Economic Stabilization Fund in the growth and appropriations of certain programs. Being able to divide these questions and take up these issues individually would allow Members to vote their conscience on these particular matters while still being able to support an extremely good state budget.

President: Senator, I know you've been very consistent in your view, and we were very careful in working with the Chair that these are one-time expenses. We made a statement very early in session we would not spend any Rainy Day Fund on ongoing expenses and we did not. In terms of your parliamentary inquiry, a Conference Committee Report is a proposal for a final agreement between the House and Senate on a bill. Both Chambers must approve all provisions of a report for a bill to become law. The Senate can only agree to a report, disagree to a report, or recommit a report to conference. A division of the question is not in order because it would allow the Senate to agree to some matters in the report on SB 1 and to disagree to others, preventing a uniform and final agreement with the House on the appropriations bill. But I think your, your question is, is a sound one, and again, I understand your, your consistent view on that, that I think other Members, some Members share as well. That's why we were very, very careful that the Rainy Day Fund focus on one-time expenses like a National Guard Armory or the Alamo or our state hospitals.

Senator Burton: Thank you, Mr. President. I certainly would rather vote on those very specific matters, but I appreciate and understand that it's not applicable to the question.

REMARKS ORDERED PRINTED

On motion of Senator Hall and by unanimous consent, his remarks regarding **SB 1** were ordered reduced to writing and printed in the *Senate Journal* as follows:

A conservative budget is not defined solely by the amount being spent, but also by where and on what the money is being spent and the revenue source. It took five months to develop this budget and, Madame Chair, you and the entire Finance Committee are to be commended for their hard work. We have made a good effort to fund mental health issues and CPS, and I commend the committee for that. But we have increased funding for institutions of higher education, many of which that have endowment funds that could fund small governments by themselves. We also continue to fund corporate welfare programs that are not core government functions. It appears that the Enterprise Fund continues to get $86 million. But is giving hard-earned taxpayer money to major companies like Apple and Toyota really more important than ensuring that a handful of school districts that depend on ASATR funding be given alternative funding to prevent their closing down? The moving image industry, for which the both the House and Senate lowered funding, still ended up with $22 million. This money has been used to fund video games, commercials, and some really bad movies. But should these commercials for Walmart, violent games, and movies like *Machete* or *Texas Chain Saw Massacre* really take precedence over fully funding untested rape kits, Senator Garcia? And I suppose the new Create Jobs and Promote Texas strategy is ensuring that the Major Events Fund and similar perks are awarded through the $317 million appropriated for that strategy. But is giving $25 million of hard-earned taxpayer money each year to the wealthy owner of Formula One racing really more important than funding the trauma care system so we can stop making criminals of our citizens who cannot afford the harsh penalties of our Driver Responsibility Program, Senator Miles? Meanwhile, our state hospitals, which don't have a well-funded lobby to do their bidding, received only $300 million for emergency repairs and to develop a plan to do something in the future. Terrell State Hospital is in facilities over 100 years old. Mental health patients do not have the luxury of high-priced lobbyists. Mental health patients don't need a plan. They need a bed when they are in crisis. Don't you agree, Senator Schwertner? We are tapping the Economic Stabilization Fund to the tune of $990 million. So, the $990 million question is, who gets the money? $300 million is for that plan for state hospitals. But it is not enough to fix the problem. So, what do we do next session? $110,000 is for disaster grants. Disasters are not one-time events, and we know we have tornadoes, drought, or hurricanes. We are using $75 million from the ESF for a grant to the Alamo. No one appreciates the historical value of the Alamo more than I do. But why is this such an emergency? Is this grant more important than restoring the Medicaid therapy cuts for our state's disabled and most vulnerable children? What are the one-time grants to local entities? Are they for issues of greater priority than the state living within its means? I truly appreciate the efforts

put in by the Finance Committee. Madame Chair, yours is not an easy job, and you have done great work and exhibited great leadership. This budget in total does hold the line. We have remained under the population-plus-inflation growth. I am, have been, and will continue to oppose the use of ESF funds for anything other than what it was originally intended–true emergencies. The Texas economy is good. We don't have a revenue problem, we have a spending problem. In my opinion, we have more than enough revenue to fund the core functions of our state government without taking funds from the ESF. We can and should meet our true needs of Texas without using ESF money. I have discussed with you and many Members a plan to address this issue. I hope that in the next session we can seriously address capping and sealing the ESF so we don't continue with turning to the ESF as a revenue source. I am conflicted with this vote and only because the total spending is below the population-plus-inflation, will I be voting for this budget. Again, I thank you and all the Finance Committee Members for their hard work, and I look forward to working with you next session on a budget that properly funds the core functions of government without spending any of the very important Economic Stabilization Fund.

(Note: Prepared text)

REASON FOR VOTE

Senator Burton submitted the following reason for vote on **SB 1**:

I voted for the Conference Committee Report on SB 1 after I was unable to divide the question on utilization of the Economic Stabilization Fund and the growth in certain "economic development" programs because I recognize that the state budget put before us today is fiscally responsible and prioritizes core functions of government, such as transportation, public education, border security, and child protective services. While I would have preferred to divide the question and register a "nay" on the aforementioned matters, Senate Rule 6.06 was not applicable.

BURTON

REASON FOR VOTE

Senator Uresti submitted the following reason for vote on **SB 1**:

I am sure some will argue there were reasons to vote against this budget, and I suppose every one of us wanted more or less in a particular category. However, I would submit that there are more reasons to vote for this bill than against this bill.

Like every session, we work as hard as we can and do the best we can. Is this a perfect budget? No. But this budget takes care of our kids in Child Protective Services (CPS). The work this body has done to help our kids in the CPS system is historic.

Primarily, the work that we did in the Senate Finance Article 2 workgroup to fight for $500 million for caseworker pay raises, additional caseworkers, and of course $209.8 million in prevention funding are the reasons why I am voting for this budget.

While I am confident that when we return next session, we will continue to build on what we have done for the Department of Family and Protective Services (DFPS), I can leave here this session knowing our children will be safer because of the investments we are making to our DFPS system in this budget.

URESTI

REASON FOR VOTE

Senator Rodríguez submitted the following reason for vote on **SB 1**:

My vote today for S.B. 1 was one of the hardest votes I've had to make since I was sworn into office in 2011.

As a lifelong student of civics and responsible governance, I have tremendous respect for this body, and passing the budget is the one responsibility that the Texas Constitution requires us to fulfill.

I know how hard Senator Nelson and other members have worked to craft a budget, confined by four different types of revenue and spending restraints. Your job was made all the more difficult by pressure from some who push for more cuts without any real understanding of the full scope of the state's responsibilities.

We are here to serve the needs of all Texans, and we can all agree that this includes education, health care, and a wide range of safety net services that fall within the proper role of government.

While the disagreement may be considered merely a matter of degree, the details are important.

This is my fourth regular session. I voted against the budget in the 82nd Legislative Session in 2011. That was a difficult vote. It was my first session, and I was learning the traditions and rhythms of this body.

But in some ways, it was an easier decision than the one we confront now.

The cuts, especially to education, were more than anyone wanted, and beyond what I, and many of my colleagues, thought necessary at the time.

We were down to a per-student funding level – measuring average daily attendance – of about $9,500, a cut of about $1,000 per student in inflation adjusted historical levels.

I voted for the budget in 2013, the 83rd Session, because we did better, especially for education. We had bipartisan agreement to restore $4 billion of the $5.4 billion cut from public education in 2011, reduce the number of standardized tests, strengthen the long-term viability of the teacher and state employee retirement systems while increasing current retiree payouts, and create funding mechanisms for water and roads.

In 2015, we continued to fund transportation, and we put water funding to a successful vote. We provided our universities with tuition revenue bonds after years of deferral.

We did better in 2015, although we made what I considered a historic mistake. To accommodate transportation, we moved DPS from Highway Fund to the General Fund, where it competes with education and health care. We also gave DPS a new mission: "border security."

The former is a policy decision with which I would disagree, but understand as a budget move. The latter has led to S.B. 4, a horrible law that increases the stigma and pressure on immigrants, whether authorized or not, and furthers the false notion that they pose a threat. I reject that notion with every fiber of my being.

This spending, if the numbers are accurate, is $800 million per biennium. That alone could pay for almost all of the Medicaid cuts, $830 million worth, that this budget directs through Rider 34.

With regard to public education, we failed to seize an opportunity to begin reforming school finance. Even without the threat of a court order, we were on the right path. Unfortunately, this body used it as a bargaining chip for other priorities, and that caused our schools to lose structural reform, not to mention $1.6 billion.

While this budget covers student growth, maintaining per student funding from the state at last session's $5,140, we did not find any additional money to account for inflation.

We added $350 million to Teacher Retirement System; assured high quality pre-K will be available to more students (a $256 million investment), and covered the needs of our higher education institutions by cleaning up some of the formulas they used, while maintaining funding for key programs such as Texas Grants and Graduate Medical Education.

We also dipped into the "Rainy Day Fund," which I know was a major concession for some members of this body.

From the outside, many people simply focus on our conflicts. They don't pay attention to the overwhelming majority of the work we do that keeps the machinery of government, our government, fine-tuned.

To be clear, this is not the best budget, especially not when it comes to my two main concerns, and what I think are the concerns of the majority of Texans – education and health care.

It is said that a budget is an expression of priorities. If so, much in this budget, like border security funding, represents misplaced priorities.

But it also reflects a careful balance of interests, based on hard numbers and factual data. We've made the mistake of constraining ourselves to the point where we struggle to meet our needs, even though we have the means to do so. Without doing something extraordinary, this budget reflects the best effort this body is able to make.

It is in that spirit, and out of respect for the tradition of the Senate, that I cast a vote in favor of this budget.

RODRÍGUEZ

MESSAGE FROM THE HOUSE

HOUSE CHAMBER
Austin, Texas
Saturday, May 27, 2017 - 2

The Honorable President of the Senate
Senate Chamber
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

HCR 148 Kacal
Commending Elizabeth J. Nelson on her service as mayor of Marlin.

THE HOUSE HAS REFUSED TO CONCUR IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

HB 1424 (non-record vote)
House Conferees: Murphy - Chair/Parker/Perez/Springer/Workman

THE HOUSE HAS GRANTED THE REQUEST OF THE SENATE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

SB 1553 (non-record vote)
House Conferees: Bernal - Chair/Dutton/Gooden/Meyer/Minjarez

SB 1929 (non-record vote)
House Conferees: Burkett - Chair/Flynn/Gonzales, Larry/Thierry/Thompson, Senfronia

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 1553 (140 Yeas, 5 Nays, 2 Present, not voting)

HB 2639 (137 Yeas, 8 Nays, 2 Present, not voting)

HB 2950 (134 Yeas, 11 Nays, 2 Present, not voting)

SB 1 (135 Yeas, 14 Nays, 1 Present, not voting)

SB 302 (125 Yeas, 21 Nays, 3 Present, not voting)

SB 303 (145 Yeas, 1 Nays, 2 Present, not voting)

SB 312 (144 Yeas, 2 Nays, 2 Present, not voting)

SB 319 (102 Yeas, 36 Nays, 2 Present, not voting)

SB 416 (113 Yeas, 32 Nays, 4 Present, not voting)

SB 1248 (133 Yeas, 12 Nays, 2 Present, not voting)

SB 1329 (144 Yeas, 0 Nays, 2 Present, not voting)

THE HOUSE HAS DISCHARGED ITS CONFEREES AND CONCURRED IN SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 8 (139 Yeas, 7 Nays, 2 Present, not voting)

HB 929 (133 Yeas, 6 Nays, 2 Present, not voting)

HB 2552 (136 Yeas, 8 Nays, 2 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

BILLS AND RESOLUTIONS SIGNED

The President announced the signing of the following enrolled bills and resolutions in the presence of the Senate after the captions had been read:

SB 40, **SB 43**, **SB 49**, **SB 55**, **SB 79**, **SB 82**, **SB 239**, **SB 263**, **SB 323**, **SB 343**, **SB 344**, **SB 364**, **SB 365**, **SB 402**, **SB 413**, **SB 436**, **SB 591**, **SB 631**, **SB 745**, **SB 748**, **SB 751**, **SB 865**, **SB 942**, **SB 1118**, **SB 1214**, **SB 1249**, **SB 1261**, **SB 1400**, **SB 1440**, **SB 1526**, **SB 1693**, **SB 1799**, **SB 1843**, **SB 1936**, **SB 1968**, **SB 1969**, **SB 2262**, **SB 2273**, **SB 2277**, **SB 36**, **SB 39**, **SB 81**, **SB 190**, **SB 213**, **SB 292**, **SB 317**, **SB 341**, **SB 371**, **SB 537**, **SB 544**, **SB 593**, **SB 721**, **SB 725**, **SB 731**, **SB 738**, **SB 905**, **SB 914**, **SB 920**, **SB 924**, **SB 1015**, **SB 1095**, **SB 1098**, **SB 1232**, **SB 1286**, **SB 1314**, **SB 1345**, **SB 1489**, **SB 1764**, **SB 2056**, **SB 2075**, **SB 2186**, **SB 2252**, **SB 2253**, **SB 2263**, **SB 2274**, **SB 2284**, **SB 2285**, **SB 2287**, **SB 2290**, **SB 2292**, **SB 2295**, **SB 2296**, **SB 2297**, **SB 2298**, **SB 2299**, **SCR 37**, **SCR 41**, **SCR 51**, **SB 8**, **SB 73**, **SB 195**, **SB 196**, **SB 255**, **SB 262**, **SB 315**, **SB 532**, **SB 674**, **SB 1066**, **SB 1070**, **SB 1076**, **SB 1129**, **SB 1153**, **SB 1233**, **SB 1304**, **SB 1381**, **SB 1383**, **SB 1401**, **SB 1503**, **SB 1538**, **SB 1571**, **SB 1649**, **SB 1813**, **SB 1842**, **SB 1882**, **SB 1893**, **SB 1910**, **SB 1911**, **SB 2076**, **SB 2212**, **SB 2242**, **HB 51**, **HB 867**, **HB 1407**, **HB 1507**, **HB 2565**, **HB 2762**, **HB 3066**, **HB 3496**, **HB 3690**, **HB 3784**.

SENATE BILL 578 WITH HOUSE AMENDMENT
(Motion In Writing)

Senator Lucio called **SB 578** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 578** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to measures to facilitate the delivery of certain mental health services for veterans.

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

SECTION 1. Subchapter D, Chapter 74, Education Code, is amended by adding Section 74.155 to read as follows:

Sec. 74.155. NATIONAL CENTER FOR WARRIOR RESILIENCY. (a) In this section:

(1) "Board" means the board of regents of The University of Texas System.

(2) "Center" means the National Center for Warrior Resiliency.

(b) The board shall establish the National Center for Warrior Resiliency at The University of Texas Health Science Center at San Antonio for purposes of:

(1) researching issues relating to the detection, prevention, diagnosis, and treatment of combat-related post-traumatic stress disorder and comorbid conditions; and

(2) providing clinical care to enhance the psychological resiliency of military personnel and veterans.

(c) The organization, control, and management of the center are vested in the board.

(d) The board shall:

(1) provide for the employment of staff and an operating budget for the center; and

(2) select a site for the center at The University of Texas Health Science Center at San Antonio.

(e) The board may solicit, accept, and administer gifts and grants from any public or private source for the use and benefit of the center.

(f) The center may enter into agreements or otherwise collaborate with public or private entities, including other public institutions of higher education, private or independent institutions of higher education, the United States Department of Veterans Affairs, the United States Department of Defense, the National Institutes of Health, and the Texas Veterans Commission, to perform the research functions of the center.

(g) An employee of the center is an employee of The University of Texas System.

SECTION 2. Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.0999 to read as follows:

Sec. 531.0999. VETERAN SUICIDE PREVENTION ACTION PLAN. (a) The commission, in collaboration with the Texas Coordinating Council for Veterans Services, the United States Department of Veterans Affairs, the Service Members, Veterans, and Their Families Technical Assistance Center Implementation Academy of the Substance Abuse and Mental Health Services Administration of the United States Department of Health and Human Services, veteran advocacy groups, medical providers, and any other organization or interested party the commission considers appropriate, shall develop a comprehensive action plan to increase access to and availability of professional veteran health services to prevent veteran suicides.

(b) The action plan must:

(1) identify opportunities for raising awareness of and providing resources for veteran suicide prevention;

(2) identify opportunities to increase access to veteran mental health services;

(3) identify funding resources to provide accessible, affordable veteran mental health services;

(4) provide measures to expand public-private partnerships to ensure access to quality, timely mental health services;

(5) provide for proactive outreach measures to reach veterans needing care;

(6) provide for peer-to-peer service coordination, including training, certification, recertification, and continuing education for peer coordinators; and

(7) address suicide prevention awareness, measures, and training regarding veterans involved in the justice system.

(c) The commission shall make specific short-term and long-term statutory, administrative, and budget-related recommendations to the legislature and the governor regarding the policy initiatives and reforms necessary to implement the action plan developed under this section. The short-term recommendations must include a plan for state implementation beginning not later than September 1, 2019. The initiatives and reforms in the short-term plan must be fully implemented by September 1, 2021. The long-term recommendations must include a plan for state implementation beginning not later than September 1, 2021. The initiatives and reforms in the long-term plan must be fully implemented by September 1, 2027.

(d) The commission shall include in its strategic plan under Chapter 2056 the plans for implementation of the short-term and long-term recommendations under Subsection (c).

(e) This section expires September 1, 2027.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendment was read.

Senator Lucio submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The President asked if there were any motions to instruct the conference committee on **SB 578** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate: Senators Lucio, Chair; Birdwell, Creighton, Rodríguez, and Estes.

CONFERENCE COMMITTEE ON HOUSE BILL 1424

Senator Birdwell called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 1424** and moved that the request be granted.

The motion prevailed without objection.

The President asked if there were any motions to instruct the conference committee on **HB 1424** before appointment.

There were no motions offered.

Accordingly, the President announced the appointment of the following conferees on the part of the Senate: Senators Birdwell, Chair; Burton, Whitmire, Seliger, and Creighton.

SENATE BILL 1215 WITH HOUSE AMENDMENTS

Senator Hughes called **SB 1215** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment No. 1

Amend **SB 1215** (engrossed) as follows:

(1) On page 1, line 16, strike the word "A", and before the word "contractor" insert "Except as provided by Sec. 59.004, a"; and

(2) On page 2, lines 6 through line 8, strike all language and substitute "Sec. 59.004. WAIVER OF CHAPTER. A person may not waive this chapter unless the contractor agrees to do so in writing with the person who whom the contractor entered the contract."

Floor Amendment No. 2

Amend **SB 1215** (house committee printing) as follows:

(1) In SECTION 1 of the bill, following added Section 59.003, Business & Commerce Code (page 2, between lines 5 and 6), add the following:

Sec. 59.004. PROFESSIONAL SKILL AND CARE REQUIRED TO BE PROVIDED BY ENGINEERS AND ARCHITECTS. A contract for engineering or architectural services to which this chapter applies must require a licensed engineer or registered architect to perform services with professional skill and care ordinarily provided by competent engineers or architects practicing under the same or similar circumstances and professional license.

(2) In Item (2) of Committee Amendment No. 1 by Oliveira, in added Section 59.004, Business & Commerce Code (page 1, line 7 of the amendment), strike "59.004" and substitute "59.005".

Floor Amendment No. 3

Amend **SB 1215** (house committee printing) by striking all below the enacting clause and substituting the following:

SECTION 1. JOINT INTERIM COMMITTEE. (a) A joint interim committee is created to conduct a study under Section 2 of this Act.

(b) The joint interim committee is composed of members of the appropriate standing committees of the senate and the house of representatives as determined by the lieutenant governor and the speaker of the house of representatives.

(c) The lieutenant governor and speaker of the house of representatives shall each designate a co-chair from among the joint interim committee members, and the joint interim committee shall convene at the joint call of the co-chairs.

(d) The joint interim committee has all other powers and duties provided to a special or select committee by the rules of the senate and house of representatives, by Subchapter B, Chapter 301, Government Code, and by policies of the senate and house committees on administration.

SECTION 2. INTERIM STUDY. (a) The joint interim committee shall conduct a study on issues relating to construction contracts in this state to the extent the committee determines appropriate. Those issues may include:

(1) the allocation of liability among persons involved in a construction project;

(2) relationships among parties to construction contracts, including property owners, general contractors, subcontractors, and design professionals;

(3) liens on real property arising from construction contracts;

(4) indemnification and insurance issues;

(5) warranties;

(6) standards of care for persons involved in construction projects; and

(7) civil actions and other forms of dispute resolution arising from construction defects and remedies for construction defects.

(b) Not later than December 1, 2018, the joint interim committee shall issue a report on the study required under this section to the lieutenant governor, the speaker of the house of representatives, and the appropriate standing committees of the house of representatives and the senate.

SECTION 3. EXPIRATION. The joint interim committee created under Section 1 of this Act is abolished and this Act expires September 1, 2019.

SECTION 4. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendments were read.

Senator Hughes moved to concur in the House amendments to **SB 1215**.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Garcia, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Burton, Estes, Hall.

SENATE BILL 1781 WITH HOUSE AMENDMENTS

Senator West called **SB 1781** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 1781** (house committee report) as follows:

(1) On page 2, line 3, strike "and in good standing with" and substitute ", and is not operating under sanctions imposed by,".

(2) On page 3, lines 21-22, strike "and remains in good standing with" and substitute "and is not operating under sanctions imposed by".

Floor Amendment No. 2

Amend **SB 1781** (house committee report) as follows:

(1) On page 3, lines 6-7, strike "admit new students in an academic year" and substitute "continue to provide instruction to its enrolled students".

(2) On page 5, line 12, strike "admit new students in an academic year" and substitute "continue to provide instruction to its enrolled students".

Floor Amendment No. 3

Amend **SB 1781** (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Subchapter S, Chapter 61, Education Code, is amended by adding Section 61.835 to read as follows:

Sec. 61.835. TRANSFERABLE COLLEGE CREDIT FOR HEROES CURRICULA. (a) To promote the purposes of the College Credit for Heroes program established under Section 302.0031, Labor Code, the board, in consultation with the Texas Workforce Commission, the Texas Veterans Commission, and institutions of higher education, shall:

(1) develop standardized curricula within degree and certificate programs commonly offered by institutions of higher education toward which qualified veterans or military service members may be awarded appropriate academic credit for experience, education, and training earned during military service; and

(2) require the transferability between institutions of higher education of course credit for curricula developed under this section that is awarded to qualified veterans or military service members.

(b) The board shall adopt rules for the administration of this section.

SECTION ____. The Texas Higher Education Coordinating Board shall adopt the initial rules required by Section 61.835, Education Code, as added by this Act, not later than May 1, 2018.

The amendments were read.

Senator West moved to concur in the House amendments to **SB 1781**.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Estes, Garcia, Hall, Hancock, Hinojosa, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Burton, Huffines, Taylor of Collin.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 5 ADOPTED

Senator Huffman called from the President's table the Conference Committee Report on **SB 5**. The Conference Committee Report was filed with the Senate on Friday, May 26, 2017.

On motion of Senator Huffman, the Conference Committee Report was adopted by the following vote: Yeas 21, Nays 10.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Campbell, Creighton, Estes, Hall, Hancock, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Nelson, Nichols, Perry, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin.

Nays: Garcia, Hinojosa, Menéndez, Miles, Rodríguez, Uresti, Watson, West, Whitmire, Zaffirini.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 813 ADOPTED

Senator Hughes called from the President's table the Conference Committee Report on **SB 813**. The Conference Committee Report was filed with the Senate on Friday, May 26, 2017.

On motion of Senator Hughes, the Conference Committee Report was adopted by the following vote: Yeas 27, Nays 4.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Campbell, Creighton, Estes, Hall, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Seliger, Taylor of Galveston, Taylor of Collin, Uresti, Watson, West, Whitmire.

Nays: Garcia, Rodríguez, Schwertner, Zaffirini.

SENATE BILL 805 WITH HOUSE AMENDMENTS

Senator Lucio called **SB 805** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Floor Amendment No. 1

Amend **SB 805** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION ____. Subchapter C, Chapter 662, Government Code, is amended by adding Section 662.065 to read as follows:

Sec. 662.065. WOMEN VETERANS DAY. (a) June 12 is Women Veterans Day to recognize the role of women in the military forces and to commemorate the sacrifices of and valor displayed by Texas women veterans.

(b) Women Veterans Day shall be regularly observed by appropriate programs and activities.

Floor Amendment No. 2

Amend **SB 805** (house committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION ____. Subchapter E, Chapter 434, Government Code, is amended by adding Sections 434.212, 434.213, and 434.214 to read as follows:

Sec. 434.212. WOMEN VETERANS REPORT. Not later than November 1 of each even-numbered year, the commission shall submit to the governor, lieutenant governor, and legislature a report on women veterans in this state. The report may be delivered electronically and must:

(1) estimate the:

(A) number of women veterans in this state;

(B) number of women veterans who contact the commission for assistance; and

(C) number of women veterans who receive assistance from the commission, the Texas Workforce Commission, the Department of State Health Services, and other state agencies;

(2) identify the unique problems faced by women veterans; and

(3) recommend policy proposals, initiatives, and funding levels to address the problems identified in Subdivision (2).

Sec. 434.213. WOMEN VETERANS COMMUNITY OUTREACH CAMPAIGN. The women veterans coordinator designated under Section 434.203, in consultation with the Governor's Commission for Women, the United States Department of Veterans Affairs, and any other appropriate agency, shall conduct a community outreach campaign to:

(1) provide information relating to and increase awareness of benefits and services available to women veterans;

(2) improve access to benefits and services for women veterans;

(3) increase participation of women veterans in programs that provide benefits and services;

(4) provide information on the significant contributions of women veterans in this state; and

(5) provide information relating to and increase awareness of support groups and other organizations relating to family services, including services for women veterans who are single parents.

Sec. 434.214. APPLICATION FOR STATE AGENCY PROGRAMS, SERVICES, OR ASSISTANCE. (a) This section applies to a state agency in the executive branch of state government, including a health and human services agency, that provides to adult women in this state a program, a service, or assistance, including the Temporary Assistance for Needy Families program, the supplemental nutrition assistance program, the women's health program, Medicaid, the Special Supplemental Nutrition Program for Women, Infants, and Children, and a housing program or service or housing assistance.

(b) A state agency shall include in each application for a program, a service, or assistance provided by the agency to adult women:

(1) a space to indicate whether the applicant is a veteran; and

(2) model language informing the applicant that she may be entitled to additional services because of her veteran status.

(c) The commission shall develop the model language required on an application under Subsection (b)(2). The language must include a link to the veterans website established under Section 434.102 or, for an online application, a hyperlink to that website.

SECTION ____. Not later than November 1, 2018, the women veterans coordinator shall establish the women veterans community outreach campaign as required under Section 434.213, Government Code, as added by this Act, and the Texas Veterans Commission shall adopt any rules necessary to implement the campaign.

SECTION ____. (a) Not later than December 1, 2017, the Texas Veterans Commission shall develop the model application language required by Section 434.214, Government Code, as added by this Act, and post that information on the commission's Internet website.

(b) Not later than March 1, 2018, each state agency subject to Section 434.214, Government Code, as added by this Act, shall modify the agency's application for programs, services, or assistance as necessary to implement that section.

The amendments were read.

Senator Lucio moved to concur in the House amendments to **SB 805**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Schwertner.

SENATE RESOLUTION 918

Senator Creighton offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 85th Legislature, Regular Session, 2017, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on Senate Bill 1289 (the purchase of iron and steel products made in the United States for certain governmental entity projects) to consider and take action on the following matters:

(1) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding, in SECTION 1 of the bill, the following:

Sec. 2252.2025. REPORT. (a) Not later than December 1, 2018, the Texas Water Development Board shall electronically submit to the state auditor a report on all contracts for construction of a project that received financial assistance under Chapter 15, 16, or 17, Water Code, during the state fiscal year ending August 31, 2017. The report must include:

(1) the impacts on a political subdivision that has obtained or applied for financial assistance from the board under Chapter 15, 16, or 17, Water Code; and

(2) for each project that has obtained financial assistance as described by this subsection:

(A) the country of origin of the iron and steel products used in the project, in accordance with 19 U.S.C. Section 1304;

(B) the cost and quantity of all iron and steel products received from each country of origin for the project; and

(C) any related bond information, including the credit rating of general obligation bonds or revenue bonds issued by the board to finance or refinance projects included in the state water plan and the potential impact to that credit rating as a result of the bond issuance by the board.

(b) The state auditor shall prepare a summary on the report submitted under Subsection (a) and electronically submit the summary to the legislature not later than January 1, 2019.

(c) This section expires September 1, 2019.

Explanation: The change is necessary to require the Texas Water Development Board to electronically submit to the state auditor a report on all contracts for construction of projects that received financial assistance from the board under Chapter 15, 16, or 17, Water Code, during the state fiscal year ending August 31, 2017, and to require the state auditor to submit to the legislature a summary of that report.

(2) Senate Rule 12.03(1) is suspended to permit the committee to amend text not in disagreement in proposed SECTION 6(b) of the bill, in the transition provisions of the bill, to read as follows:

(b) Subchapter F, Chapter 2252, Government Code, as added by this Act, does not apply to a project as described by Section 15.432 or 15.472, Water Code, that the Texas Water Development Board has formally approved for financial assistance. In this subsection, the term "formally approved" means any project that is the subject of a resolution approving an application for financial assistance adopted by the Texas Water Development Board before May 1, 2019, for any portion of the financing of the project.

Explanation: The change is necessary to extend the time before certain contracts are subject to Subchapter F, Chapter 2252, Government Code, as added by the Act, to allow the Texas Water Development Board to submit the report and the state auditor to submit the summary required by Section 2252.2025, Government Code, as added by the Act.

SR 918 was read and was adopted by the following vote: Yeas 27, Nays 3, Present-not voting 1.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Estes, Hall, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Burton, Garcia, Hancock.

Present-not voting: Taylor of Collin.

REMARKS ORDERED PRINTED

On motion of Senator Taylor of Collin and by unanimous consent, the remarks by Senators Creighton and Taylor of Collin regarding **SR 918** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Taylor of Collin: Thank you, Senator Creighton, appreciate what you're doing here with this report, going out of the bounds. And I just wanted to be clear because if, as I read it, I'm not, I'm not clear, but I wanted to make sure that you were clear. The effort here is to determine what the actual cost differential is between American steel and foreign steel. Is that correct?

Senator Creighton: That's correct, Senator Taylor. With Chairman Perry's, you know, hesitation and ultimately the amendment he offered, we found that the House took that amendment off when it came back to the Senate. We continued to work on making sure that the concerns were met on the impact of SWIFT, to SWIFT and SRF, should buy-American provisions be implemented. And when I go through the details

of the Conference Committee Report, if you'll bear with me on that, I think you'll find that we've got what we need in the directives for the study itself to provide information that you and all of us would like to have going forward.

Senator Taylor of Collin: Alright. And so, and so, in, in your, it is your intent that the report would include successful bids from domestic steel manufacturers, as well as unsuccessful bids from foreign steel manufacturers so that we can compare the cost differentials. Is that correct?

Senator Creighton: Correct. And, and I'll be able to go through on some of that which will include, you know, the country of origin of the iron and steel products used in the project, the cost and quantity, also, received from any product that's from another country, and the specific origin involved. And then, some bond information that was certainly important to Senator Perry and others, so.

Senator Taylor of Collin: Okay, and certainly I, I appreciate your intent of getting the successful and unsuccessful bids because that's how you're going to know the true cost differential to the taxpayer in, in adopting Senate Bill 1239.

Senator Creighton: And that's, and that's right in, we're aligned in that goal, and we have current projects through SWIFT and SRF that have already been reviewed under proposals for both. We have that information currently. I'm sure that will be, you know, used within the variables of what the study will produce, and ultimately the information that we've all been talking about here, information we have from past proposals, and what we'll find over the next year and a half that will all be compiled together to give us what we need to make decisions going forward.

Senator Taylor of Collin: Thank you.

REMARKS ORDERED PRINTED

On motion of Senator Perry and by unanimous consent, the remarks by Senators Creighton and Perry regarding **SR 918** were ordered reduced to writing and printed in the *Senate Journal* as follows:

President: Senator Perry, for what purpose?

Senator Perry: Just to comment regarding what we're trying to accomplish here.

President: Yield, Senator?

Senator Creighton: Absolutely.

Senator Perry: So, I do appreciate Senator Creighton working, we're kind of in uncharted territory here as to what we're actually going to need to verify. The sole goal of this study is to determine if any effects, negative or positive for that matter, would have on SWIFT or SRF funded projects.

Senator Creighton: That's correct.

Senator Perry: And does it jeopardize the longtime viability of that funding source if we increase cost of goods, but more importantly, we remove the composite leverage of AAA-rated companies with the non-AAA-rated companies in the fund? I think you and I both agree this is a, sounds easy to do but probably going to require some

effort, energies, and creativity, if you will, to encompass that study. But I have your word and commitment that we're going to find a way to get the data where we can all make an objective decision coming forward.

Senator Creighton: That's right. We'll know all the information and the impact on any bond information and our credit ratings with regard to SWIFT and SRF, and you and I both have committed to each other to work on this next session, pending the outcome of that information.

Senator Perry: Appreciate it, thank you.

Senator Creighton: Pleasure to work with you on it.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1289 ADOPTED

Senator Creighton called from the President's table the Conference Committee Report on **SB 1289**. The Conference Committee Report was filed with the Senate on Thursday, May 25, 2017.

On motion of Senator Creighton, the Conference Committee Report was adopted by the following vote: Yeas 23, Nays 7, Present-not voting 1.

Yeas: Bettencourt, Birdwell, Buckingham, Campbell, Creighton, Hall, Hinojosa, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Rodríguez, Schwertner, Taylor of Galveston, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Burton, Estes, Garcia, Hancock, Huffines, Perry, Seliger.

Present-not voting: Taylor of Collin.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 312 ADOPTED

Senator Nichols called from the President's table the Conference Committee Report on **SB 312**. The Conference Committee Report was filed with the Senate on Friday, May 26, 2017.

On motion of Senator Nichols, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

REMARKS ORDERED PRINTED

On motion of Senator Watson and by unanimous consent, the remarks by Senators Nichols and Watson regarding **SB 312** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Watson: Thank you, Senator Nichols, and thanks for the work you've done on this. It's been great work, and I appreciated getting to serve on the conference committee with you on this. I want to ask you a couple of questions about the billboard aspect of this, just so that we make some legislative, we send a clear message about what it is we're doing. The language that's in the Conference Committee Report is not an authorization for all billboards in existence on March 1st to go as high as 85 feet, right?

Senator Nichols: That's correct.

Senator Watson: The intent and the interpretation of the language ought to be that it's to grandfather signs that currently are in non-compliance so that we can end lawsuits over those specific signs, but is not meant to create a loophole for any currently compliant signs to go above the current height limit.

Senator Nichols: That is absolutely correct. There were some signs that were above the 42 feet not to exceed 85 that were in litigation. And when TxDOT centralized all that, that's when they identified them. They went into litigation. This grandfathers them at the heights they currently exist, and no other sign is and no other sign going forward will.

Senator Watson: Great. Thank you very much, Mr. Chairman.

Senator Nichols: Thank you.

Senator Watson: Thank you, Mr. President.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 30 ADOPTED

Senator West called from the President's table the Conference Committee Report on **SB 30**. The Conference Committee Report was filed with the Senate on Friday, May 26, 2017.

On motion of Senator West, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

REMARKS ORDERED PRINTED

On motion of Senator Whitmire and by unanimous consent, the remarks by Senator West regarding **SB 30** were ordered reduced to writing and printed in the *Senate Journal* as follows:

> On behalf of Senator Whitmire, because he was my co-author on this, and, Members, let me say this to you–yes, my voice is back–we will pass some very significant bills during this legislative session, but you will be asked what we did in the area of community and law enforcement relationships. All of us know about the Sandra Bland Act that the Senate passed, by Senator Whitmire. Lieutenant Governor gave this particular bill a low bill number, Senate Bill 30, and it will be known as the Community Safety Education Act. And I want you to understand what it is, so when you're asked questions about what steps have we taken in order to improve relationships, you can point to this particular Act and make sure, if you care, ask your staffs to brief you on it. This particular Act does the following: Number one, we've identified certain criteria that we want to see placed in driver's license manuals. I've received a letter from DPS, Mr. President, that says that the things they're going to be placing in the driver's license manual identifying relationships between police officers and also citizens as it relates to traffic stops. We also put into, we asked the Texas Education Agency as well as the agency over law enforcement to come together and look at what the responsibilities are, police officers and also citizens as it relates to relationships, specifically when you have encounters between the two. Members, I think this bill goes a long way because it also not only puts

information, education into the education system about the relationship, but it also takes that same content, if you will, Senator Bettencourt, and puts in police academies. We passed this bill out of here 31-0, and when it ended up in the House, the House put some amendments on that require the study that wasn't consistent with the intent of the bill, and so, they graciously removed that particular item or those items in the bill. And so, Members, when we go back home and you're asked about what we have done during this legislative session, look to the Community Safety Education Act as one of the pieces of legislation that we passed in order to begin improving the relationship between the community and law enforcement.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 21 ADOPTED

Senator Birdwell called from the President's table the Conference Committee Report on **SB 21**. The Conference Committee Report was filed with the Senate on Tuesday, May 23, 2017.

On motion of Senator Birdwell, the Conference Committee Report was adopted by the following vote: Yeas 21, Nays 10.

Yeas: Bettencourt, Birdwell, Buckingham, Burton, Campbell, Creighton, Estes, Hall, Hancock, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Nelson, Nichols, Perry, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin.

Nays: Garcia, Hinojosa, Menéndez, Miles, Rodríguez, Uresti, Watson, West, Whitmire, Zaffirini.

SENATE BILL 622 WITH HOUSE AMENDMENT

Senator Burton called **SB 622** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment

Amend **SB 622** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED
AN ACT

relating to itemizing certain public notice expenditures in certain political subdivision budgets.

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

SECTION 1. Chapter 140, Local Government Code, is amended by adding Section 140.0045 to read as follows:

Sec. 140.0045. ITEMIZATION OF CERTAIN PUBLIC NOTICE EXPENDITURES REQUIRED IN CERTAIN POLITICAL SUBDIVISION BUDGETS. (a) Except as provided by Subsection (b), the proposed budget of a political subdivision must include a line item indicating expenditures for notices required by law to be published in a newspaper by the political subdivision or a

representative of the political subdivision that allows as clear a comparison as practicable between those expenditures in the proposed budget and actual expenditures for the same purpose in the preceding year.

(b) This section does not apply to a junior college district.

SECTION 2. The change in law made by Section 140.0045, Local Government Code, as added by this Act, applies only to a proposed budget for a fiscal year beginning on or after January 1, 2018.

SECTION 3. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The amendment was read.

Senator Burton moved to concur in the House amendment to **SB 622**.

The motion prevailed by the following vote: Yeas 29, Nays 2.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Estes, Garcia, Hall, Hancock, Hinojosa, Huffines, Huffman, Hughes, Kolkhorst, Lucio, Menéndez, Miles, Nelson, Nichols, Rodríguez, Schwertner, Seliger, Taylor of Galveston, Taylor of Collin, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Buckingham, Perry.

SENATE RESOLUTION 933

Senator Hughes offered the following resolution:

SR 933, In memory of Barbara Smith Conrad.

HUGHES
WATSON

On motion of Senator Hughes, the resolution was read and was adopted by a rising vote of the Senate.

In honor of the memory of Barbara Smith Conrad, the text of the resolution is printed at the end of today's *Senate Journal*.

REMARKS ORDERED PRINTED

On motion of Senator West and by unanimous consent, the remarks by Senators Watson and Hughes regarding **SR 933** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Watson: Barbara Smith Conrad graduated from The University of Texas at Austin. She died from complications related to Alzheimer's disease in the early hours of May 22. She was part of the Precursors, the first African American students to attend and integrate The University of Texas at Austin. As one of the first African American undergraduates admitted to the university in 1956, the young music student was among the early pioneers in the movement to create a more open and diverse university community. With her natural talents and stage presence, Conrad was encouraged to audition for the university's 1957 production of *Dido and Aeneas*. She won a title role opposite a white male student who was cast as her lover. The biracial

casting controversy that ensued escalated to the Texas Legislature, and when lawmakers threatened to pull funding, the president of the university made the decision to remove Conrad from the cast. After national media coverage drew attention to her story, singer Harry Belafonte offered to underwrite her studies at an institution of her choice, but Conrad ultimately decided to remain at the university and complete her music degree. Her story was shared with millions through the Dolph Briscoe Center for American History's award-winning documentary *When I Rise.* The film premiered at the 2010 South by Southwest Film Festival and aired nationally on the PBS series *Independent Lens.* It has since been distributed globally. *When I Rise* includes touching scenes of Conrad singing beneath the dome of the Texas Capitol during the 2009 legislative session after state lawmakers passed a resolution honoring her. After graduating from UT Austin, Conrad went on to have a distinguished career as an opera singer. She performed with New York's Metropolitan Opera for eight years from 1982 to 1989, and she performed leading operatic roles with the Vienna State Opera, the Teatro Nacional de Venezuela, the Houston Grand Opera, the New York City Opera, the Pittsburgh Opera, and many other opera houses throughout the United States, Canada, Europe, and South America. Under the direction of some of the world's leading conductors, she performed much of the mezzo-soprano repertoire with the world's greatest orchestras including the New York Philharmonic and the London, Boston, Cleveland, and Detroit symphonies. The UT Austin ex-students' association named Conrad a Distinguished Alumna in 1985, and the university honored her with the founding of the Barbara Smith Conrad Endowed Presidential Scholarship in Fine Arts. Conrad received the Texas Medal of Arts Award for Lifetime Achievement and the History-Making Texan Award in 2011. She was appointed to the Butler School of Music as a visiting professor and artist-in-residence in 2012, and she spoke at the commencement ceremony for the College of Fine Arts that year. Prior to that, she returned to give master classes and to coach opera students in the 1990s, and she performed in two concerts in the school in 2011. Conrad said of the experience: "I felt so trapped, I wanted to just say everything that came into my mind, but I was trying to be that person who was a healer. That was part of the upbringing. You tried to make peace and not war."

(Note: Prepared text)

Senator Hughes: Senator Watson, thank you for saying that so well, and, and many of us will remember when, when she was here and she was from northeast Texas, very near where I live, and in my House District, at the time this came up in my Senate District, and proud of her on so many levels. Senator Watson talked about her career. In addition to that, she also performed at the White House, she performed for Pope John Paul II. Getting to know her as Senator Watson and I and many of us here got to, no bitterness, no anger, no chip on her shoulders, she wasn't a victim. She went through something that I really cannot relate to. Some of here can relate to it better than I, but I really can't begin to enter into that. A grace and charm and stick-to-itiveness, and not just raw talent but discipline along with it. And Senator Watson shared one of her best quotes. She also said this, looking back on that event when she was told to withdraw from that role that she had earned, that she had earned, she said, After the first shock and hurt had passed, I began to realize that the ultimate success of integration at the university was much more important than my appearance

in the opera. She put the greater good ahead of her own interest, which she did not have to do. Many things we could say about her, but I'll just say this, 1957, 60 years ago when this horrible, horrible thing took place, starting in the Legislature, her own legislators were the ones that did this, that caused her to be removed from that role. And so, from 1957, then she finished her degree and didn't come back to Texas for a while, and 1985, The University of Texas reached out to her and honored her as distinguished alum, and that's the first time she had been back since then. But things were still kind of cool, and so back in 2009, Senator Watson and I, and, and this body and the House had this unique opportunity to come back here where all this started, all this evil, really, was done to her started right here in the Legislature. So, how special that in the Legislature we were able to, a little something to make things right. It reminded us that it's never too late, as long as we're still breathing, to do the right thing. And I would just add this, that when she sang on the House floor, then in that rotunda, and Senator Watson may have mentioned this, given her experience and what she'd been through and what we were doing, what do you think she sang? She sang "Amazing Grace." You remember that, Senator West? What a perfect song, what perfect words for that occasion. And so, I'm so glad that we got to honor her then and we can do this now. Thank you for letting me have a small part in this. As I close, I'll, I'll tell you what Dr. Don Carleton said about her and her Christian faith and the way she lived it. Dr. Carleton said this, She believed in forgiveness and reconciliation; she wanted to be treated as someone who accomplished things; she did not regard being a victim as an accomplishment. We just thank the Lord for her, and thank you for letting me join in remembering her this evening. Thank you, Mr. President, and thank you, Members.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1913

Senator Zaffirini submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1913** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

ZAFFIRINI	S. THOMPSON
BURTON	Y. DAVIS
HUGHES	WHITE
PERRY	
MENÉNDEZ	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the administrative, civil, and criminal consequences, including fines, fees, and costs, imposed on persons arrested for, charged with, or convicted of certain criminal offenses.

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

SECTION 1. Article 14.06(b), Code of Criminal Procedure, is amended to read as follows:

(b) A peace officer who is charging a person, including a child, with committing an offense that is a Class C misdemeanor, other than an offense under Section 49.02, Penal Code, may, instead of taking the person before a magistrate, issue a citation to the person that contains:

(1) written notice of the time and place the person must appear before a magistrate;

(2) [~~,~~] the name and address of the person charged;

(3) [~~,~~] the offense charged;

(4) information regarding the alternatives to the full payment of any fine or costs assessed against the person, if the person is convicted of the offense and is unable to pay that amount;[~~,~~] and

(5) the following admonishment, in boldfaced or underlined type or in capital letters:

"If you are convicted of a misdemeanor offense involving violence where you are or were a spouse, intimate partner, parent, or guardian of the victim or are or were involved in another, similar relationship with the victim, it may be unlawful for you to possess or purchase a firearm, including a handgun or long gun, or ammunition, pursuant to federal law under 18 U.S.C. Section 922(g)(9) or Section 46.04(b), Texas Penal Code. If you have any questions whether these laws make it illegal for you to possess or purchase a firearm, you should consult an attorney."

SECTION 2. Section 4(a), Article 17.42, Code of Criminal Procedure, is amended to read as follows:

(a) Except as otherwise provided by this subsection, if [~~If~~] a court releases an accused on personal bond on the recommendation of a personal bond office, the court shall assess a personal bond fee of $20 or three percent of the amount of the bail fixed for the accused, whichever is greater. The court may waive the fee or assess a lesser fee if good cause is shown. A court that requires a defendant to give a personal bond under Article 45.016 may not assess a personal bond fee under this subsection.

SECTION 3. Article 27.14(b), Code of Criminal Procedure, is amended to read as follows:

(b) A defendant charged with a misdemeanor for which the maximum possible punishment is by fine only may, in lieu of the method provided in Subsection (a) [~~of this article~~], mail or deliver in person to the court a plea of "guilty" or a plea of "nolo contendere" and a waiver of jury trial. The defendant may also request in writing that the court notify the defendant, at the address stated in the request, of the amount of an appeal bond that the court will approve. If the court receives a plea and waiver before the time the defendant is scheduled to appear in court, the court shall dispose of the case without requiring a court appearance by the defendant. If the court receives a plea

and waiver after the time the defendant is scheduled to appear in court but at least five business days before a scheduled trial date, the court shall dispose of the case without requiring a court appearance by the defendant. The court shall notify the defendant either in person or by regular [~~certified~~] mail[~~, return receipt requested,~~] of the amount of any fine or costs assessed in the case, information regarding the alternatives to the full payment of any fine or costs assessed against the defendant, if the defendant is unable to pay that amount, and, if requested by the defendant, the amount of an appeal bond that the court will approve. Except as otherwise provided by this code, the [~~The~~] defendant shall pay any fine or costs assessed or give an appeal bond in the amount stated in the notice before the 31st day after receiving the notice.

SECTION 4. Article 42.15, Code of Criminal Procedure, is amended by adding Subsection (a-1) and amending Subsection (b) to read as follows:

(a-1) Notwithstanding any other provision of this article, during or immediately after imposing a sentence in a case in which the defendant entered a plea in open court as provided by Article 27.13, 27.14(a), or 27.16(a), a court shall inquire whether the defendant has sufficient resources or income to immediately pay all or part of the fine and costs. If the court determines that the defendant does not have sufficient resources or income to immediately pay all or part of the fine and costs, the court shall determine whether the fine and costs should be:

(1) subject to Subsection (c), required to be paid at some later date or in a specified portion at designated intervals;

(2) discharged by performing community service under, as applicable, Article 43.09(f), Article 45.049, Article 45.0492, as added by Chapter 227 (H.B. 350), Acts of the 82nd Legislature, Regular Session, 2011, or Article 45.0492, as added by Chapter 777 (H.B. 1964), Acts of the 82nd Legislature, Regular Session, 2011;

(3) waived in full or in part under Article 43.091 or 45.0491; or

(4) satisfied through any combination of methods under Subdivisions (1)-(3).

(b) Subject to Subsections (c) and (d) and Article 43.091, when imposing a fine and costs, a court may direct a defendant:

(1) to pay the entire fine and costs when sentence is pronounced;

(2) to pay the entire fine and costs at some later date; or

(3) to pay a specified portion of the fine and costs at designated intervals.

SECTION 5. Article 43.05, Code of Criminal Procedure, is amended by adding Subsections (a-1) and (a-2) to read as follows:

(a-1) A court may not issue a capias pro fine for the defendant's failure to satisfy the judgment according to its terms unless the court holds a hearing on the defendant's ability to satisfy the judgment and:

(1) the defendant fails to appear at the hearing; or

(2) based on evidence presented at the hearing, the court determines that the capias pro fine should be issued.

(a-2) The court shall recall a capias pro fine if, before the capias pro fine is executed:

(1) the defendant voluntarily appears to resolve the amount owed; and

(2) the amount owed is resolved in any manner authorized by this code.

SECTION 6. Article 43.09, Code of Criminal Procedure, is amended by amending Subsections (a), (g), (h), (j), and (l) and adding Subsection (h-1) to read as follows:

(a) When a defendant is convicted of a misdemeanor and the defendant's [~~his~~] punishment is assessed at a pecuniary fine or is confined in a jail after conviction of a felony for which a fine is imposed, if the defendant [~~he~~] is unable to pay the fine and costs adjudged against the defendant [~~him~~], the defendant [~~he~~] may for such time as will satisfy the judgment be put to work in the county jail industries program, in the workhouse, or on the county farm, or public improvements and maintenance projects of the county or a political subdivision located in whole or in part in the county, as provided in Article 43.10 [~~the succeeding article~~]; or if there is [~~be~~] no such county jail industries program, workhouse, farm, or improvements and maintenance projects, the defendant [~~he~~] shall be confined in jail for a sufficient length of time to discharge the full amount of fine and costs adjudged against the defendant [~~him~~]; rating such confinement at $100 [~~$50~~] for each day and rating such labor at $100 [~~$50~~] for each day; provided, however, that the defendant may pay the pecuniary fine assessed against the defendant [~~him~~] at any time while the defendant [~~he~~] is serving at work in the county jail industries program, in the workhouse, or on the county farm, or on the public improvements and maintenance projects of the county or a political subdivision located in whole or in part in the county, or while the defendant [~~he~~] is serving the defendant's [~~his~~] jail sentence, and in such instances the defendant is [~~he shall be~~] entitled to the credit [~~he has~~] earned under this subsection during the time that the defendant [~~he~~] has served and the defendant [~~he~~] shall only be required to pay the [~~his~~] balance of the pecuniary fine assessed against the defendant [~~him~~]. A defendant who performs labor under this article during a day in which the defendant [~~he~~] is confined is entitled to both the credit for confinement and the credit for labor provided by this article.

(g) In the court's [~~its~~] order requiring a defendant to perform [~~participate in~~] community service [~~work~~] under Subsection (f) [~~of this article~~], the court must specify:

(1) the number of hours of community service the defendant is required to perform [~~work~~]; [~~and~~]

(2) whether the community supervision and corrections department or a court-related services office will perform the administrative duties required by the placement of the defendant in the community service program; and

(3) the date by which the defendant must submit to the court documentation verifying the defendant's completion of the community service.

(h) The court may order the defendant to perform community service [~~work~~] under Subsection (f):

(1) by attending a work and job skills training program, preparatory class for the high school equivalency examination administered under Section 7.111, Education Code, or similar activity; or

(2) [~~of this article only~~] for:

(A) a governmental entity;

(B) [~~or~~] a nonprofit organization or another organization that provides services to the general public that enhance social welfare and the general well-being of the community, as determined by the court; or

(C) an educational institution.

(h-1) An [~~A governmental~~] entity [~~or nonprofit organization~~] that accepts a defendant under Subsection (f) [~~of this article~~] to perform community service must agree to supervise, either on-site or remotely, the defendant in the performance of the defendant's community service [~~work~~] and report on the defendant's community service [~~work~~] to the district probation department or court-related services office.

(j) A court may not order a defendant to perform more than 16 hours per week of community service under Subsection (f) [~~of this article~~] unless the court determines that requiring the defendant to perform [~~work~~] additional hours does not impose an undue [~~work a~~] hardship on the defendant or the defendant's dependents.

(l) A sheriff, employee of a sheriff's department, county commissioner, county employee, county judge, an employee of a community corrections and supervision department, restitution center, or officer or employee of a political subdivision other than a county or an entity that accepts a defendant under this article to perform community service is not liable for damages arising from an act or failure to act in connection with manual labor performed by an inmate or community service performed by a defendant under [~~pursuant to~~] this article if the act or failure to act:

(1) was performed pursuant to confinement or other court order; and

(2) was not intentional, wilfully or wantonly negligent, or performed with conscious indifference or reckless disregard for the safety of others.

SECTION 7. Article 43.091, Code of Criminal Procedure, is amended to read as follows:

Art. 43.091. WAIVER OF PAYMENT OF FINES AND COSTS FOR CERTAIN [~~INDIGENT~~] DEFENDANTS AND FOR CHILDREN. A court may waive payment of all or part of a fine or costs [~~cost~~] imposed on a defendant [~~who defaults in payment~~] if the court determines that:

(1) the defendant is indigent or does not have sufficient resources or income to pay all or part of the fine or costs or was, at the time the offense was committed, a child as defined by Article 45.058(h); and

(2) each alternative method of discharging the fine or cost under Article 43.09 or 42.15 would impose an undue hardship on the defendant.

SECTION 8. Article 45.014, Code of Criminal Procedure, is amended by adding Subsections (e), (f), and (g) to read as follows:

(e) A justice or judge may not issue an arrest warrant for the defendant's failure to appear at the initial court setting, including failure to appear as required by a citation issued under Article 14.06(b), unless:

(1) the justice or judge provides by telephone or regular mail to the defendant notice that includes:

(A) a date and time, occurring within the 30-day period following the date that notice is provided, when the defendant must appear before the justice or judge;

(B) the name and address of the court with jurisdiction in the case;

(C) information regarding alternatives to the full payment of any fine or costs owed by the defendant, if the defendant is unable to pay that amount; and

(D) an explanation of the consequences if the defendant fails to appear before the justice or judge as required by this article; and

(2) the defendant fails to appear before the justice or judge as required by this article.

(f) A defendant who receives notice under Subsection (e) may request an alternative date or time to appear before the justice or judge if the defendant is unable to appear on the date and time included in the notice.

(g) A justice or judge shall recall an arrest warrant for the defendant's failure to appear if the defendant voluntarily appears and makes a good faith effort to resolve the arrest warrant before the warrant is executed.

SECTION 9. Article 45.016, Code of Criminal Procedure, is amended to read as follows:

Art. 45.016. PERSONAL BOND; BAIL BOND. (a) The justice or judge may require the defendant to give a personal bond [~~bail~~] to secure the defendant's appearance in accordance with this code.

(b) The justice or judge may not, either instead of or in addition to the personal bond, require a defendant to give a bail bond unless:

(1) the defendant fails to appear in accordance with this code with respect to the applicable offense; and

(2) the justice or judge determines that:

(A) the defendant has sufficient resources or income to give a bail bond; and

(B) a bail bond is necessary to secure the defendant's appearance in accordance with this code.

(c) If before the expiration of a 48-hour period following the issuance of the applicable order a defendant described by Subsections (b)(1) and (2) does not give a required bail bond, the justice or judge:

(1) shall reconsider the requirement for the defendant to give the bail bond and presume that the defendant does not have sufficient resources or income to give the bond; and

(2) may require the defendant to give a personal bond.

(d) If the defendant refuses to give a personal bond or, except as provided by Subsection (c), refuses or otherwise fails to give a bail bond, the defendant may be held in custody.

SECTION 10. Article 45.041, Code of Criminal Procedure, is amended by adding Subsection (a-1) and amending Subsection (b) to read as follows:

(a-1) Notwithstanding any other provision of this article, during or immediately after imposing a sentence in a case in which the defendant entered a plea in open court as provided by Article 27.14(a) or 27.16(a), the justice or judge shall inquire whether the defendant has sufficient resources or income to immediately pay all or part of the fine and costs. If the justice or judge determines that the defendant does not have sufficient resources or income to immediately pay all or part of the fine and costs, the justice or judge shall determine whether the fine and costs should be:

(1) subject to Subsection (b-2), required to be paid at some later date or in a specified portion at designated intervals;

(2) discharged by performing community service under, as applicable, Article 45.049, Article 45.0492, as added by Chapter 227 (H.B. 350), Acts of the 82nd Legislature, Regular Session, 2011, or Article 45.0492, as added by Chapter 777 (H.B. 1964), Acts of the 82nd Legislature, Regular Session, 2011;

(3) waived in full or in part under Article 45.0491; or

(4) satisfied through any combination of methods under Subdivisions (1)-(3).

(b) Subject to Subsections (b-2) and (b-3) and Article 45.0491, the justice or judge may direct the defendant:

(1) to pay:

(A) the entire fine and costs when sentence is pronounced;

(B) the entire fine and costs at some later date; or

(C) a specified portion of the fine and costs at designated intervals;

(2) if applicable, to make restitution to any victim of the offense; and

(3) to satisfy any other sanction authorized by law.

SECTION 11. Article 45.0425(a), Code of Criminal Procedure, is amended to read as follows:

(a) If the court from whose judgment and sentence the appeal is taken is in session, the court must approve the bail. The amount of an appeal [~~a bail~~] bond may not be less than two times the amount of the fine and costs adjudged against the defendant, payable to the State of Texas. The appeal bond [~~bail~~] may not in any case be for an amount [~~a sum~~] less than $50. If the appeal bond otherwise meets the requirements of this code, the court without requiring a court appearance by the defendant shall approve the appeal bond in the amount the court under Article 27.14(b) notified the defendant would be approved.

SECTION 12. Article 45.045, Code of Criminal Procedure, is amended by adding Subsections (a-2) and (a-3) to read as follows:

(a-2) The court may not issue a capias pro fine for the defendant's failure to satisfy the judgment according to its terms unless the court holds a hearing on the defendant's ability to satisfy the judgment and:

(1) the defendant fails to appear at the hearing; or

(2) based on evidence presented at the hearing, the court determines that the capias pro fine should be issued.

(a-3) The court shall recall a capias pro fine if, before the capias pro fine is executed:

(1) the defendant voluntarily appears to resolve the amount owed; and

(2) the amount owed is resolved in any manner authorized by this chapter.

SECTION 13. Article 45.046(a), Code of Criminal Procedure, is amended to read as follows:

(a) When a judgment and sentence have been entered against a defendant and the defendant defaults in the discharge of the judgment, the judge may order the defendant confined in jail until discharged by law if the judge at a hearing makes a written determination that:

(1) the defendant is not indigent and has failed to make a good faith effort to discharge the fine or [~~and~~] costs; or

(2) the defendant is indigent and:

(A) has failed to make a good faith effort to discharge the fine or [~~fines and~~] costs under Article 45.049; and

(B) could have discharged the fine or [~~fines and~~] costs under Article 45.049 without experiencing any undue hardship.

SECTION 14. Article 45.048, Code of Criminal Procedure, is amended to read as follows:

Art. 45.048. DISCHARGED FROM JAIL. (a) A defendant placed in jail on account of failure to pay the fine and costs shall be discharged on habeas corpus by showing that the defendant:

(1) is too poor to pay the fine and costs; or

(2) has remained in jail a sufficient length of time to satisfy the fine and costs, at the rate of not less than $100 [~~$50~~] for each period [~~of time~~] served, as specified by the convicting court in the judgment in the case.

(b) A convicting court may specify a period [~~of time~~] that is not less than eight hours or more than 24 hours as the period for which a defendant who fails to pay the fine [~~fines~~] and costs in the case must remain in jail to satisfy $100 [~~$50~~] of the fine and costs.

SECTION 15. Article 45.049, Code of Criminal Procedure, is amended by amending Subsections (b), (c), (d), (e), (f), and (g) and adding Subsection (c-1) to read as follows:

(b) In the justice's or judge's order requiring a defendant to perform [~~participate in~~] community service [~~work~~] under this article, the justice or judge must specify:

(1) the number of hours of community service the defendant is required to perform; and

(2) the date by which the defendant must submit to the court documentation verifying the defendant's completion of the community service [~~work~~].

(c) The justice or judge may order the defendant to perform community service [~~work~~] under this article:

(1) by attending a work and job skills training program, a preparatory class for the high school equivalency examination administered under Section 7.111, Education Code, or similar activity; or

(2) [~~only~~] for:

(A) a governmental entity;

(B) [~~or~~] a nonprofit organization or another organization that provides services to the general public that enhance social welfare and the general well-being of the community, as determined by the justice or judge; or

(C) an educational institution.

(c-1) An [~~A governmental~~] entity [~~or nonprofit organization~~] that accepts a defendant under this article to perform community service must agree to supervise, either on-site or remotely, the defendant in the performance of the defendant's community service [~~work~~] and report on the defendant's community service [~~work~~] to the justice or judge who ordered the [~~community~~] service.

(d) A justice or judge may not order a defendant to perform more than 16 hours per week of community service under this article unless the justice or judge determines that requiring the defendant to perform [~~work~~] additional hours does not impose an undue [~~work a~~] hardship on the defendant or the defendant's dependents.

(e) A defendant is considered to have discharged not less than $100 [~~$50~~] of fines or costs for each eight hours of community service performed under this article.

(f) A sheriff, employee of a sheriff's department, county commissioner, county employee, county judge, justice of the peace, municipal court judge, or officer or employee of a political subdivision other than a county or an entity that accepts a defendant under this article to perform community service is not liable for damages arising from an act or failure to act in connection with community service [~~manual labor~~] performed by a defendant under this article if the act or failure to act:

(1) was performed pursuant to court order; and

(2) was not intentional, wilfully or wantonly negligent, or performed with conscious indifference or reckless disregard for the safety of others.

(g) This subsection applies only to a defendant who is charged with a traffic offense or an offense under Section 106.05, Alcoholic Beverage Code, and is a resident of this state. If under Article 45.051(b)(10), Code of Criminal Procedure, the judge requires the defendant to perform community service as a condition of the deferral, the defendant is entitled to elect whether to perform the required [~~governmental entity or nonprofit organization community~~] service in:

(1) the county in which the court is located; or

(2) the county in which the defendant resides, but only if the applicable entity [~~or organization~~] agrees to:

(A) supervise, either on-site or remotely, the defendant in the performance of the defendant's community service [~~work~~]; and

(B) report to the court on the defendant's community service [~~work~~].

SECTION 16. Article 45.0491, Code of Criminal Procedure, is amended to read as follows:

Art. 45.0491. WAIVER OF PAYMENT OF FINES AND COSTS FOR CERTAIN [~~INDIGENT~~] DEFENDANTS AND FOR CHILDREN. (a) A municipal court, regardless of whether the court is a court of record, or a justice court may waive payment of all or part of a fine or costs imposed on a defendant [~~who defaults in payment~~] if the court determines that:

(1) the defendant is indigent or does not have sufficient resources or income to pay all or part of the fine or costs or was, at the time the offense was committed, a child as defined by Article 45.058(h); and

(2) discharging the fine or [~~and~~] costs under Article 45.049 or as otherwise authorized by this chapter would impose an undue hardship on the defendant.

(b) A defendant is presumed to be indigent or to not have sufficient resources or income to pay all or part of the fine or costs if the defendant:

(1) is in the conservatorship of the Department of Family and Protective Services, or was in the conservatorship of that department at the time of the offense; or

(2) is designated as a homeless child or youth or an unaccompanied youth, as those terms are defined by 42 U.S.C. Section 11434a, or was so designated at the time of the offense.

SECTION 17. The heading to Article 45.0492, Code of Criminal Procedure, as added by Chapter 227 (H.B. 350), Acts of the 82nd Legislature, Regular Session, 2011, is amended to read as follows:

Art. 45.0492. COMMUNITY SERVICE [~~OR TUTORING~~] IN SATISFACTION OF FINE OR COSTS FOR CERTAIN JUVENILE DEFENDANTS.

SECTION 18. Article 45.0492, Code of Criminal Procedure, as added by Chapter 227 (H.B. 350), Acts of the 82nd Legislature, Regular Session, 2011, is amended by amending Subsections (b), (c), (d), (f), (g), and (h) and adding Subsection (d-1) to read as follows:

(b) A justice or judge may require a defendant described by Subsection (a) to discharge all or part of the fine or costs by performing community service [~~or attending a tutoring program that is satisfactory to the court~~]. A defendant may discharge an obligation to perform community service [~~or attend a tutoring program~~] under this article by paying at any time the fine and costs assessed.

(c) In the justice's or judge's order requiring a defendant to perform [~~participate in~~] community service [~~work or a tutoring program~~] under this article, the justice or judge must specify:

(1) the number of hours of community service the defendant is required to perform; and

(2) the date by which the defendant must submit to the court documentation verifying the defendant's completion of the community service [~~work or attend tutoring~~].

(d) The justice or judge may order the defendant to perform community service [~~work~~] under this article:

(1) by attending a tutoring program, work and job skills training program, preparatory class for the high school equivalency examination administered under Section 7.111, Education Code, or similar activity; or

(2) [~~only~~] for:

(A) a governmental entity;

(B) [~~or~~] a nonprofit organization or another organization that provides services to the general public that enhance social welfare and the general well-being of the community, as determined by the justice or judge; or

(C) an educational institution.

(d-1) An [~~A governmental~~] entity [~~or nonprofit organization~~] that accepts a defendant under this article to perform community service must agree to supervise, either on-site or remotely, the defendant in the performance of the defendant's community service [~~work~~] and report on the defendant's community service [~~work~~] to the justice or judge who ordered the [~~community~~] service.

(f) A justice or judge may not order a defendant to perform more than 16 hours of community service per week [~~or attend more than 16 hours of tutoring per week~~] under this article unless the justice or judge determines that requiring the defendant to

perform additional hours [~~of work or tutoring~~] does not impose an undue [~~cause a~~] hardship on the defendant or the defendant's family. For purposes of this subsection, "family" has the meaning assigned by Section 71.003, Family Code.

(g) A defendant is considered to have discharged not less than $100 [~~$50~~] of fines or costs for each eight hours of community service performed [~~or tutoring program attended~~] under this article.

(h) A sheriff, employee of a sheriff's department, county commissioner, county employee, county judge, justice of the peace, municipal court judge, or officer or employee of a political subdivision other than a county or an entity that accepts a defendant under this article to perform community service[~~, nonprofit organization, or tutoring program~~] is not liable for damages arising from an act or failure to act in connection with community service [~~an activity~~] performed by a defendant under this article if the act or failure to act:

(1) was performed pursuant to court order; and

(2) was not intentional, grossly negligent, or performed with conscious indifference or reckless disregard for the safety of others.

SECTION 19. Article 45.0492, Code of Criminal Procedure, as added by Chapter 777 (H.B. 1964), Acts of the 82nd Legislature, Regular Session, 2011, is amended by amending Subsections (c), (d), (e), and (f) and adding Subsections (d-1) and (h) to read as follows:

(c) In the justice's or judge's order requiring a defendant to perform community service under this article, the justice or judge shall specify:

(1) the number of hours of community service the defendant is required to perform, [~~and may~~] not to exceed [~~order more than~~] 200 hours; and

(2) the date by which the defendant must submit to the court documentation verifying the defendant's completion of the community service.

(d) The justice or judge may order the defendant to perform community service [~~work~~] under this article:

(1) by attending a work and job skills training program, preparatory class for the high school equivalency examination administered under Section 7.111, Education Code, or similar activity; or

(2) [~~only~~] for:

(A) a governmental entity;

(B) [~~or~~] a nonprofit organization or another organization that provides services to the general public that enhance social welfare and the general well-being of the community, as determined by the justice or judge; or

(C) an educational institution.

(d-1) An [~~A governmental~~] entity [~~or nonprofit organization~~] that accepts a defendant under this article to perform community service must agree to supervise, either on-site or remotely, the defendant in the performance of the defendant's community service [~~work~~] and report on the defendant's community service [~~work~~] to the justice or judge who ordered the [~~community~~] service.

(e) A justice or judge may not order a defendant to perform more than 16 hours of community service per week under this article unless the justice or judge determines that requiring the defendant to perform additional hours [~~of work~~] does not

impose an undue [~~cause a~~] hardship on the defendant or the defendant's family. For purposes of this subsection, "family" has the meaning assigned by Section 71.003, Family Code.

(f) A sheriff, employee of a sheriff's department, county commissioner, county employee, county judge, justice of the peace, municipal court judge, or officer or employee of a political subdivision other than a county or an entity that accepts a defendant under this article to perform community service is not liable for damages arising from an act or failure to act in connection with community service performed by a defendant under this article if the act or failure to act:

(1) was performed pursuant to court order; and

(2) was not intentional, wilfully or wantonly negligent, or performed with conscious indifference or reckless disregard for the safety of others.

(h) A defendant is considered to have discharged not less than $100 of fines or costs for each eight hours of community service performed under this article.

SECTION 20. Article 45.051(a), Code of Criminal Procedure, is amended to read as follows:

(a) On a plea of guilty or nolo contendere by a defendant or on a finding of guilt in a misdemeanor case punishable by fine only and payment of all court costs, the judge may defer further proceedings without entering an adjudication of guilt and place the defendant on probation for a period not to exceed 180 days. In issuing the order of deferral, the judge may impose a special expense fee on the defendant in an amount not to exceed the amount of the fine that could be imposed on the defendant as punishment for the offense. The special expense fee may be collected at any time before the date on which the period of probation ends. The judge may elect not to impose the special expense fee for good cause shown by the defendant. If the judge orders the collection of a special expense fee, the judge shall require that the amount of the special expense fee be credited toward the payment of the amount of the fine imposed by the judge. An order of deferral under this subsection terminates any liability under a [~~bail bond or an appearance~~] bond given for the charge.

SECTION 21. Article 45.0511(t), Code of Criminal Procedure, is amended to read as follows:

(t) An order of deferral under Subsection (c) terminates any liability under a [~~bail bond or appearance~~] bond given for the charge.

SECTION 22. Article 103.0031(j), Code of Criminal Procedure, is amended to read as follows:

(j) A communication to the accused person regarding the amount of payment that is acceptable to the court under the court's standard policy for resolution of a case must include:

(1) a notice of the person's right to enter a plea or go to trial on any offense charged; and

(2) a statement that, if the person is unable to pay the full amount of payment that is acceptable to the court, the person should contact the court regarding the alternatives to full payment that are available to resolve the case.

SECTION 23. Section 502.010, Transportation Code, is amended by amending Subsections (a) and (c) and adding Subsections (b-1), (i), and (j) to read as follows:

(a) Except as otherwise provided by this section, a [~~A~~] county assessor-collector or the department may refuse to register a motor vehicle if the assessor-collector or the department receives information that the owner of the vehicle:

(1) owes the county money for a fine, fee, or tax that is past due; or

(2) failed to appear in connection with a complaint, citation, information, or indictment in a court in the county in which a criminal proceeding is pending against the owner.

(b-1) Information that is provided to make a determination under Subsection (a)(1) and that concerns the past due status of a fine or fee imposed for a criminal offense and owed to the county expires on the second anniversary of the date the information was provided and may not be used to refuse registration after that date. Once information about a past due fine or fee is provided under Subsection (b), subsequent information about other fines or fees that are imposed for a criminal offense and that become past due before the second anniversary of the date the initial information was provided may not be used, either before or after the second anniversary of that date, to refuse registration under this section unless the motor vehicle is no longer subject to refusal of registration because of notice received under Subsection (c).

(c) A county that has a contract under Subsection (b) shall notify the department regarding a person for whom the county assessor-collector or the department has refused to register a motor vehicle on:

(1) the person's payment or other means of discharge, including a waiver, of the past due fine, fee, or tax; or

(2) perfection of an appeal of the case contesting payment of the fine, fee, or tax.

(i) A municipal court judge or justice of the peace who has jurisdiction over the underlying offense may waive an additional fee imposed under Subsection (f) if the judge or justice makes a finding that the defendant is economically unable to pay the fee or that good cause exists for the waiver.

(j) If a county assessor-collector is notified that the court having jurisdiction over the underlying offense has waived the past due fine or fee due to the defendant's indigency, the county may not impose an additional fee on the defendant under Subsection (f).

SECTION 24. Section 502.010(f), Transportation Code, as amended by Chapters 1094 (S.B. 1386) and 1296 (H.B. 2357), Acts of the 82nd Legislature, Regular Session, 2011, is reenacted and amended to read as follows:

(f) Except as otherwise provided by this section, a [~~A~~] county that has a contract under Subsection (b) may impose an additional fee of $20 to:

(1) a person who fails to pay a fine, fee, or tax to the county by the date on which the fine, fee, or tax is due; or

(2) a person who fails to appear in connection with a complaint, citation, information, or indictment in a court in which a criminal proceeding is pending against the owner. [~~The additional fee may be used only to reimburse the department or the county for its expenses for providing services under the contract.~~]

SECTION 25. Section 706.005, Transportation Code, is amended to read as follows:

Sec. 706.005. CLEARANCE NOTICE TO DEPARTMENT. (a) A political subdivision shall immediately notify the department that there is no cause to continue to deny renewal of a person's driver's license based on the person's previous failure to appear or failure to pay or satisfy a judgment ordering the payment of a fine and cost in the manner ordered by the court in a matter involving an offense described by Section 706.002(a), on payment of a fee as provided by Section 706.006 and:

(1) the perfection of an appeal of the case for which the warrant of arrest was issued or judgment arose;

(2) the dismissal of the charge for which the warrant of arrest was issued or judgment arose, other than a dismissal with prejudice by motion of the appropriate prosecuting attorney for lack of evidence;

(3) the posting of bond or the giving of other security to reinstate the charge for which the warrant was issued;

(4) the payment or discharge of the fine and cost owed on an outstanding judgment of the court; or

(5) other suitable arrangement to pay the fine and cost within the court's discretion.

(b) The department may not continue to deny the renewal of the person's driver's license under this chapter after the department receives notice:

(1) under Subsection (a);

(2) that the person was acquitted of the charge on which the person failed to appear;

(3) that the charge on which the person failed to appear was dismissed with prejudice by motion of the appropriate prosecuting attorney for lack of evidence; or

(4) [~~(3)~~] from the political subdivision that the failure to appear report or court order to pay a fine or cost relating to the person:

(A) was sent to the department in error; or

(B) has been destroyed in accordance with the political subdivision's records retention policy.

SECTION 26. Section 706.006, Transportation Code, is amended by amending Subsections (a) and (b) and adding Subsections (a-1) and (d) to read as follows:

(a) Except as provided by Subsection (d), a [~~A~~] person who fails to appear for a complaint or citation for an offense described by Section 706.002(a) shall be required to pay an administrative fee of $30 for each complaint or citation reported to the department under this chapter, unless:

(1) the person is acquitted of the charges for which the person failed to appear;

(2) the charges on which the person failed to appear were dismissed with prejudice by motion of the appropriate prosecuting attorney for lack of evidence;

(3) the failure to appear report was sent to the department in error; or

(4) the case regarding the complaint or citation is closed and the failure to appear report has been destroyed in accordance with the applicable political subdivision's records retention policy.

(a-1) A [~~The~~] person who is required to pay a fee under Subsection (a) shall pay the fee when:

(1) the court enters judgment on the underlying offense reported to the department;

(2) the underlying offense is dismissed, other than a dismissal described by Subsection (a)(2); or

(3) bond or other security is posted to reinstate the charge for which the warrant was issued.

(b) Except as provided by Subsection (d), a [~~A~~] person who fails to pay or satisfy a judgment ordering the payment of a fine and cost in the manner the court orders shall be required to pay an administrative fee of $30.

(d) If the court having jurisdiction over the underlying offense makes a finding that the person is indigent, the person may not be required to pay an administrative fee under this section. For purposes of this subsection, a person is presumed to be indigent if the person:

(1) is required to attend school full time under Section 25.085, Education Code;

(2) is a member of a household with a total annual income that is below 125 percent of the applicable income level established by the federal poverty guidelines; or

(3) receives assistance from:

(A) the financial assistance program established under Chapter 31, Human Resources Code;

(B) the medical assistance program under Chapter 32, Human Resources Code;

(C) the supplemental nutrition assistance program established under Chapter 33, Human Resources Code;

(D) the federal special supplemental nutrition program for women, infants, and children authorized by 42 U.S.C. Section 1786; or

(E) the child health plan program under Chapter 62, Health and Safety Code.

SECTION 27. Article 45.0492(e), Code of Criminal Procedure, as added by Chapter 227 (H.B. 350), Acts of the 82nd Legislature, Regular Session, 2011, is repealed.

SECTION 28. The changes in law made by this Act to Articles 14.06 and 27.14, Code of Criminal Procedure, and Section 502.010 and Chapter 706, Transportation Code, apply only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 29. The changes in law made by this Act to Articles 42.15, 43.09, 43.091, 45.014, 45.041, 45.046, 45.049, and 45.0491, Code of Criminal Procedure, and Articles 45.0492, Code of Criminal Procedure, as added by Chapter 227 (H.B. 350), Acts of the 82nd Legislature, Regular Session, 2011, and 45.0492, Code of Criminal Procedure, as added by Chapter 777 (H.B. 1964), Acts of the 82nd Legislature, Regular Session, 2011, apply to a sentencing proceeding that commences before, on, or after the effective date of this Act.

SECTION 30. The change in law made by this Act to Articles 43.05 and 45.045, Code of Criminal Procedure, applies only to a capias pro fine issued on or after the effective date of this Act. A capias pro fine issued before the effective date of this Act is governed by the law in effect on the date the capias pro fine was issued, and the former law is continued in effect for that purpose.

SECTION 31. The changes in law made by this Act to Articles 45.016, 45.051, and 45.0511, Code of Criminal Procedure, apply only to a bond executed on or after the effective date of this Act. A bond executed before the effective date of this Act is governed by the law in effect when the bond was executed, and the former law is continued in effect for that purpose.

SECTION 32. The change in law made by this Act to Article 45.048, Code of Criminal Procedure, applies to a defendant who is placed in jail on or after the effective date of this Act for failure to pay the fine and costs imposed on conviction of an offense, regardless of whether the offense for which the defendant was convicted was committed before, on, or after the effective date of this Act.

SECTION 33. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1913** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 319

Senator Watson submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 319** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WATSON	RAYMOND
HINOJOSA	S. THOMPSON
TAYLOR OF COLLIN	BURKETT
NICHOLS	C. ANDERSON
PERRY	GONZALES
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the continuation and functions of the State Board of Veterinary Medical Examiners; authorizing a reduction in fees; providing penalties.

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

SECTION 1. Section 826.042, Health and Safety Code, is amended by adding Subsections (f) and (g) to read as follows:

(f) At the time an owner submits for quarantine an animal described by Subsection (b), the veterinarian or local rabies control authority, as applicable, shall:

(1) provide written notification to the animal's owner of the date the animal enters quarantine and the date the animal will be released from quarantine;

(2) obtain and retain with the animal's records a written statement signed by the animal's owner and a supervisor employed by the veterinarian or local rabies control authority acknowledging that the information required by Subdivision (1) has been provided to the animal's owner; and

(3) provide the animal's owner a copy of the signed written statement obtained under Subdivision (2).

(g) A veterinarian or local rabies control authority, as applicable, shall identify each animal quarantined under this section with a placard or other marking on the animal's kennel that indicates the animal is quarantined under this section.

SECTION 2. Section 826.043, Health and Safety Code, is amended by amending Subsection (d) and adding Subsection (e) to read as follows:

(d) Except as provided by Subsection (e), the [~~The~~] veterinarian or local rabies control authority may sell the animal and retain the proceeds or keep, grant, or destroy an animal if the owner or custodian does not take possession of the animal before the fourth day following the final day of the quarantine period.

(e) A veterinarian or local rabies control authority may not destroy an animal following the final day of the quarantine period unless the veterinarian or local rabies control authority has notified the animal's owner, if available, of the animal's scheduled destruction.

SECTION 3. Section 801.003, Occupations Code, is amended to read as follows:

Sec. 801.003. APPLICATION OF SUNSET ACT. The State Board of Veterinary Medical Examiners is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the board is abolished and this chapter expires September 1, 2021 [~~2017~~].

SECTION 4. Section 801.004, Occupations Code, is amended to read as follows:

Sec. 801.004. APPLICATION OF CHAPTER. This chapter does not apply to:

(1) the treatment or care of an animal in any manner by the owner of the animal, an employee of the owner, or a designated caretaker of the animal, unless the ownership, employment, or designation is established with the intent to violate this chapter;

(2) a person who performs an act prescribed by the board as an accepted livestock management practice, including:

(A) castrating a male animal raised for human consumption;

(B) docking or earmarking an animal raised for human consumption;

(C) dehorning cattle;

(D) aiding in the nonsurgical birth process of a large animal, as defined by board rule;

(E) treating an animal for disease prevention with a nonprescription medicine or vaccine;

(F) branding or identifying an animal in any manner;

(G) artificially inseminating an animal, including training, inseminating, and compensating for services related to artificial insemination; and

(H) shoeing a horse;

(3) the performance of a cosmetic or production technique to reduce injury in poultry intended for human consumption;

(4) the performance of a duty by a veterinarian's employee if:

(A) the duty involves food production animals;

(B) the duty does not involve diagnosis, prescription, or surgery;

(C) the employee is under the direction and general supervision of the veterinarian; and

(D) the veterinarian is responsible for the employee's performance;

(5) the performance of an act by a person who is a full-time student of an accredited college of veterinary medicine if the act is performed under the direct supervision of a veterinarian;

(6) an animal shelter employee who performs euthanasia in the course and scope of the person's employment if the person has successfully completed training in accordance with Chapter 829, Health and Safety Code;

(7) a person who is engaged in a recognized state-federal cooperative disease eradication or control program or an external parasite control program while the person is performing official duties required by the program;

(8) a person who, without expectation of compensation, provides emergency care in an emergency or disaster; [~~or~~]

(9) a consultation given to a veterinarian in this state by a person who:

(A) resides in another state; and

(B) is lawfully qualified to practice veterinary medicine under the laws of that state; or

(10) a licensed health care professional who, without expectation of compensation and under the direct supervision of a veterinarian on staff, provides treatment or care to an animal owned by or in the possession, control, or custody of an entity accredited by the Association of Zoos and Aquariums or one of the following organizations that has a veterinarian on staff:

(A) the Global Federation of Animal Sanctuaries; or

(B) the Zoological Association of America.

SECTION 5. Section 801.051(a), Occupations Code, is amended to read as follows:

(a) The State Board of Veterinary Medical Examiners consists of nine members appointed by the governor with the advice and consent of the senate as follows:

(1) five [~~six~~] veterinarian members, including:

(A) one veterinarian member who is associated with an animal shelter; and

(B) one veterinarian member who has at least three years of experience practicing veterinary medicine in this state on horses, livestock, or other large animals; [~~and~~]

(2) one licensed veterinary technician member; and

(3) three members who represent the public.

SECTION 6. Section 801.057, Occupations Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

(b) The training program must provide the person with information regarding:

(1) the law governing board operations;

(2) the [~~legislation that created the board and the board's~~] programs, functions, rules, and budget of the board;

(3) the scope of and limitations on the rulemaking authority of the board;

(4) the types of board rules, interpretations, and enforcement actions that may implicate federal antitrust law by limiting competition or impacting prices charged by persons engaged in a profession or business the board regulates, including rules, interpretations, and enforcement actions that:

(A) regulate the scope of practice of persons in a profession or business the board regulates;

(B) restrict advertising by persons in a profession or business the board regulates;

(C) affect the price of goods or services provided by persons in a profession or business the board regulates; or

(D) restrict participation in a profession or business the board regulates;

(5) [~~(2)~~] the results of the most recent formal audit of the board;

(6) [~~(3)~~] the requirements of:

(A) laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest; and

(B) other laws applicable to members of the board in performing their duties; and

(7) [~~(4)~~] any applicable ethics policies adopted by the board or the Texas Ethics Commission.

(d) The executive director of the board shall create a training manual that includes the information required by Subsection (b). The executive director shall distribute a copy of the training manual annually to each board member. On receipt of the training manual, each board member shall sign and submit to the executive director a statement acknowledging receipt of the training manual.

SECTION 7. Section 801.154, Occupations Code, is amended to read as follows:

Sec. 801.154. FEES. [~~(a)~~] The board by rule shall set fees in amounts that are reasonable and necessary so that the fees, in the aggregate, cover the costs of administering this chapter. [~~The board may not set a fee that existed on September 1, 1993, in an amount that is less than the fee on that date.~~]

SECTION 8. Subchapter D, Chapter 801, Occupations Code, is amended by adding Section 801.164 to read as follows:

Sec. 801.164. RISK-BASED INSPECTIONS RELATED TO CONTROLLED SUBSTANCES PRACTICES. The board may conduct a risk-based inspection of a veterinarian's practice based on information obtained from the veterinarian or another source concerning the veterinarian's use, handling, prescribing, dispensing, or delivery of controlled substances.

SECTION 9. Section 801.205, Occupations Code, is amended to read as follows:

Sec. 801.205. GENERAL RULES REGARDING COMPLAINT INVESTIGATION AND DISPOSITION. The board shall adopt rules relating to the investigation of complaints filed with the board. The rules must:

(1) distinguish between categories of complaints;

(2) ensure that complaints are not dismissed without appropriate consideration;

(3) require that the board be advised of a complaint that is dismissed [~~and that a written explanation be given to the person who filed the complaint explaining the action taken on the dismissed complaint~~];

(4) ensure that the person who filed the complaint has the opportunity to explain the allegations made in the complaint; and

(5) prescribe guidelines concerning the categories of complaints that require the use of a private investigator and the procedures for the board to obtain the services of a private investigator.

SECTION 10. Section 801.2055, Occupations Code, is amended to read as follows:

Sec. 801.2055. COMPLAINTS REQUIRING MEDICAL EXPERTISE. (a) A complaint that requires medical expertise to review must be reviewed by one [~~two~~] or more veterinarians designated by the [~~veterinarian~~] board [~~members~~]. The veterinarian reviewers [~~board members~~] shall determine whether to dismiss the complaint or refer it to an informal proceeding under Section 801.408.

(b) If the veterinarian reviewers determine to:

(1) dismiss the complaint, the dismissal must be approved by the board at a public meeting; or

(2) refer the complaint to an informal proceeding, the complaint is referred to an informal proceeding under Section 801.408.

(c) If the board designates more than one veterinarian reviewer and the reviewers [~~members~~] do not agree to dismiss or refer the complaint to an informal proceeding, the complaint is referred to an informal proceeding under Section 801.408.

(d) A veterinarian board member who reviews a complaint under this section may not participate in any subsequent disciplinary proceeding related to the complaint.

SECTION 11. Section 801.207, Occupations Code, is amended by amending Subsection (b) and adding Subsections (c), (d), and (e) to read as follows:

(b) Each complaint, investigation file and record, and other investigation report and all other investigative information in the possession of or received or gathered by the board or the board's employees or agents relating to a license holder, an application for license, or a criminal investigation or proceeding is privileged and confidential and is not subject to discovery, subpoena, or other means of legal compulsion for release to anyone other than the board or the board's employees or agents involved in discipline of a license holder [~~An investigation record of the board, including a record relating to a complaint that is found to be groundless, is confidential~~].

(c) The board shall protect the identity of a complainant to the extent possible.

(d) Not later than the 30th day after the date of receipt of a written request from a license holder who is the subject of a formal complaint initiated and filed under this subchapter or from the license holder's counsel of record, and subject to any other privilege or restriction set forth by rule, statute, or legal precedent, and unless good cause is shown for delay, the board shall provide the license holder with access to all information in its possession that the board intends to offer into evidence in presenting its case in chief at the contested hearing on the complaint. The board is not required to provide:

(1) a board investigative report or memorandum;

(2) the identity of a nontestifying complainant; or

(3) attorney-client communications, attorney work product, or other materials covered by a privilege recognized by the Texas Rules of Civil Procedure or the Texas Rules of Evidence.

(e) Furnishing information under Subsection (d) does not constitute a waiver of privilege or confidentiality under this chapter or other applicable law.

SECTION 12. Subchapter E, Chapter 801, Occupations Code, is amended by adding Section 801.208 to read as follows:

Sec. 801.208. NOTIFICATION TO COMPLAINANT REGARDING COMPLAINT DISPOSITION. (a) The board shall promptly notify a complainant of the final disposition of the complaint, including notice:

(1) that the complaint was dismissed;

(2) that a penalty, disciplinary action, or other sanction was imposed; or

(3) that the complaint was disposed of in another manner and the nature of that disposition.

(b) The board shall include with the notification a copy of any public sanction imposed by the board.

(c) The board shall include in the notification an explanation of each reason for the disposition, including, as applicable, in plain, easily understandable language, each reason the conduct alleged in the complaint did or did not constitute grounds for the imposition of a penalty, disciplinary action, or other sanction.

(d) The notification may not include information that is confidential under Section 801.207(b).

SECTION 13. Subchapter E, Chapter 801, Occupations Code, is amended by adding Section 801.209 to read as follows:

Sec. 801.209. REQUIREMENTS FOR CERTAIN COMPLAINTS. (a) In this section:

(1) "Anonymous complaint" means a complaint that lacks sufficient information to identify the source or the name of the person who filed the complaint.

(2) "Insurance professional" means a person licensed under Title 13, Insurance Code.

(3) "Insurer" means an insurance company or other entity authorized to engage in the business of insurance under Title 6, Insurance Code.

(b) The board may not accept anonymous complaints.

(c) Notwithstanding any confidentiality requirements under Chapter 552, Government Code, or this chapter, a complaint filed with the board against a license holder by a pharmaceutical company or by an insurance professional or insurer relating to insurance covering veterinary services must include the name and address of the pharmaceutical company, insurance professional, or insurer filing the complaint. Not later than the 15th day after the date the complaint is filed with the board, the board shall notify the license holder who is the subject of the complaint of the name and address of the pharmaceutical company, insurance professional, or insurer who filed the complaint, unless the notice would jeopardize an investigation.

SECTION 14. Subchapter F, Chapter 801, Occupations Code, is amended by adding Section 801.267 to read as follows:

Sec. 801.267. CRIMINAL HISTORY RECORD INFORMATION FOR LICENSE ISSUANCE. (a) The board shall require that an applicant for a license submit a complete and legible set of fingerprints, on a form prescribed by the board, to the board or to the Department of Public Safety for the purpose of obtaining criminal history record information from the Department of Public Safety and the Federal Bureau of Investigation.

(b) The board may not issue a license to a person who does not comply with the requirement of Subsection (a).

(c) The board shall conduct a criminal history record information check of each applicant for a license using information:

(1) provided by the individual under this section; and

(2) made available to the board by the Department of Public Safety, the Federal Bureau of Investigation, and any other criminal justice agency under Chapter 411, Government Code.

(d) The board may:

(1) enter into an agreement with the Department of Public Safety to administer a criminal history record information check required under this section; and

(2) authorize the Department of Public Safety to collect from each applicant the costs incurred by the Department of Public Safety in conducting the criminal history record information check.

SECTION 15. Section 801.301, Occupations Code, is amended to read as follows:

Sec. 801.301. LICENSE TERM AND [~~ANNUAL~~] RENEWAL [~~REQUIRED~~]. (a) The board shall provide:

(1) that each type of license under this chapter is valid for a term of one year or two years; and

(2) for the [~~annual~~] renewal of a license.

(b) The board by rule may adopt a system under which licenses expire on various dates during the year.

(c) For a year in which the license expiration date is changed, the board shall prorate license fees [~~payable on March 1 shall be prorated~~] on a monthly basis so that each license holder pays only that portion of the fee that is allocable to the number of months during which the license is valid. On renewal of the license on the new expiration date, the total license renewal fee is payable.

SECTION 16. Section 801.306, Occupations Code, is amended to read as follows:

Sec. 801.306. INACTIVE STATUS. The board by rule may provide for the placement of a license holder on inactive status. The rules adopted under this section may not [~~must~~] include a limit on the time a license holder may remain on inactive status.

SECTION 17. Sections 801.307(b) and (c), Occupations Code, are amended to read as follows:

(b) The board may:

(1) establish general categories of continuing education that meet the needs of license holders; [~~and~~]

(2) require a license holder to successfully complete continuing education courses; and

(3) for a license valid for two years, provide a one year or two year period for the completion of continuing education.

(c) The board may require a license holder who does not complete the required number of hours of continuing education in a period [~~year~~] to make up the missed hours in a later period [~~years~~]. Hours required to be made up in a later period [~~year~~] are in addition to the hours normally required to be completed in that period [~~year~~].

SECTION 18. Subchapter G, Chapter 801, Occupations Code, is amended by adding Section 801.309 to read as follows:

Sec. 801.309. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR LICENSE RENEWAL. (a) An applicant renewing a license issued under this chapter shall submit a complete and legible set of fingerprints for purposes of performing a criminal history record information check of the applicant as provided by Section 801.267.

(b) The board may administratively suspend or refuse to renew the license of a person who does not comply with the requirement of Subsection (a).

(c) A license holder is not required to submit fingerprints under this section for the renewal of the license if the license holder has previously submitted fingerprints under:

(1) Section 801.267 for the initial issuance of the license; or

(2) this section as part of a prior license renewal.

SECTION 19. The heading to Section 801.407, Occupations Code, is amended to read as follows:

Sec. 801.407. RIGHT TO HEARING[~~; SCHEDULE OF SANCTIONS~~].

SECTION 20. Section 801.407(c), Occupations Code, is amended to read as follows:

(c) The State Office of Administrative Hearings shall use the schedule of sanctions under Section 801.411 [~~adopted by board rule~~] for any sanction imposed as the result of a hearing conducted by that office.

SECTION 21. Subchapter I, Chapter 801, Occupations Code, is amended by adding Section 801.411 to read as follows:

Sec. 801.411. SCHEDULE OF SANCTIONS. (a) The board by rule shall adopt a schedule of penalties, disciplinary actions, and other sanctions that the board may impose under this chapter.

(b) In adopting the schedule of sanctions under Subsection (a), the board shall ensure that the severity of the sanction imposed is appropriate to the type of violation or conduct that is the basis for disciplinary action. The schedule must provide that the type of disciplinary action or other sanction and the amount of a penalty imposed under this chapter must be based on:

(1) the seriousness of the violation, including:

(A) the nature, circumstances, extent, and gravity of any prohibited act; and

(B) the hazard or potential hazard created to the health, safety, or economic welfare of the public;

(2) the economic harm to property or the environment caused by the violation;

(3) the history of previous violations;

(4) the amount of penalty or type of disciplinary action or sanction necessary to deter a future violation;

(5) efforts to correct the violation; and

(6) any other matter that justice may require.

SECTION 22. Sections 801.452(b) and (c), Occupations Code, are amended to read as follows:

(b) The amount of the penalty shall be based on the schedule of sanctions adopted under Section 801.411[~~:~~

[~~(1) the seriousness of the violation, including:~~

[~~(A) the nature, circumstances, extent, and gravity of any prohibited act; and~~

[~~(B) the hazard or potential hazard created to the health, safety, or economic welfare of the public;~~

[~~(2) the economic harm to property or the environment caused by the violation;~~

[~~(3) the history of previous violations;~~

[~~(4) the amount necessary to deter a future violation;~~

[~~(5) efforts to correct the violation; and~~

[~~(6) any other matter that justice may require~~].

(c) A committee described by Section 801.408(c) or (d) shall recommend the amount of the administrative penalty based on the schedule of sanctions adopted under Section 801.411 [~~a standardized penalty schedule. The board by rule shall develop the standardized penalty schedule based on the criteria listed in Subsection (b)~~].

SECTION 23. Subchapter K, Chapter 801, Occupations Code, is amended by adding Section 801.5011 to read as follows:

Sec. 801.5011. MONITORING HARMFUL PRESCRIBING AND DISPENSING PATTERNS. (a) The board shall periodically check the prescribing and dispensing information submitted to the Texas State Board of Pharmacy as authorized by Section 481.076(a)(1), Health and Safety Code, to determine whether a veterinarian is engaging in potentially harmful prescribing or dispensing patterns or practices.

(b) The board, in coordination with the Texas State Board of Pharmacy, shall determine the conduct that constitutes a potentially harmful prescribing or dispensing pattern or practice for purposes of Subsection (a). In determining the conduct that constitutes a potentially harmful prescribing or dispensing pattern or practice, the board, at a minimum, shall consider:

(1) the number of times a veterinarian prescribes or dispenses:

(A) opioids;

(B) benzodiazepines;

(C) barbiturates; or

(D) carisoprodol; and

(2) for prescriptions and dispensations described by Subdivision (1), patterns of prescribing or dispensing combinations of those drugs and other dangerous combinations of drugs identified by the board.

(c) If the board suspects that a veterinarian may be engaging in potentially harmful prescribing or dispensing patterns or practices, the board may notify the veterinarian of the potentially harmful prescribing or dispensing pattern or practice.

(d) The board may initiate a complaint against a veterinarian based on information obtained under this section.

SECTION 24. (a) For purposes of Section 801.003, Occupations Code, as amended by this Act, the Sunset Advisory Commission shall conduct a special-purpose review of the State Board of Veterinary Medical Examiners for the 87th Legislature.

(b) In conducting the special-purpose review under this section:

(1) the Sunset Advisory Commission staff evaluation and report must be limited to reviewing the effectiveness of recommendations made by the Sunset Advisory Commission to the 85th Legislature; and

(2) the Sunset Advisory Commission's recommendations to the 87th Legislature may include any recommendation the commission considers appropriate based on the special-purpose review.

SECTION 25. (a) The changes in law made by this Act to Section 801.051(a), Occupations Code, do not affect the entitlement of a member serving on the State Board of Veterinary Medical Examiners immediately before the effective date of this Act to continue to serve for the remainder of the member's term. As the terms of board members expire, the governor shall appoint or reappoint members who have the qualifications required for members under Section 801.051, Occupations Code, as amended by this Act.

(b) In making appointments under Section 801.051(a), Occupations Code, as amended by this Act, the governor may not appoint a veterinarian member who is not described by Section 801.051(a)(1)(A) or (B) unless one member described by Section 801.051(a)(1)(A), one member described by Section 801.051(a)(1)(B), and one member described by Section 801.051(a)(2) have been appointed to or are serving on the State Board of Veterinary Medical Examiners. This subsection does not apply after the first date on which one member described by Section 801.051(a)(1)(A), one member described by Section 801.051(a)(1)(B), and one member described by Section 801.051(a)(2) are serving on the board.

SECTION 26. (a) Except as provided by Subsection (b) of this section, Section 801.057, Occupations Code, as amended by this Act, applies to a member of the State Board of Veterinary Medical Examiners appointed before, on, or after the effective date of this Act.

(b) A member of the State Board of Veterinary Medical Examiners who, before the effective date of this Act, completed the training program required by Section 801.057, Occupations Code, as that law existed before the effective date of this Act, is only required to complete additional training on the subjects added by this Act to the training program required by Section 801.057, Occupations Code. A board member described by this subsection may not vote, deliberate, or be counted as a member in attendance at a meeting of the board held on or after December 1, 2017, until the member completes the additional training.

SECTION 27. (a) The following changes in law apply only to a complaint filed with the State Board of Veterinary Medical Examiners on or after the effective date of this Act:

(1) Section 801.205, Occupations Code, as amended by this Act;

(2) Section 801.2055, Occupations Code, as amended by this Act;

(3) Section 801.207(b), Occupations Code, as amended by this Act, and Sections 801.207(c), (d), and (e), Occupations Code, as added by this Act;

(4) Section 801.208, Occupations Code, as added by this Act; and

(5) Section 801.209, Occupations Code, as added by this Act.

(b) A complaint filed before the effective date of this Act is governed by the law in effect on the date the complaint was filed, and the former law is continued in effect for that purpose.

SECTION 28. Sections 801.267 and 801.309, Occupations Code, as added by this Act, apply only to an application for the issuance or renewal of a license submitted to the State Board of Veterinary Medical Examiners on or after the effective date of this Act. An application submitted before the effective date of this Act is governed by the law in effect on the date the application was submitted, and the former law is continued in effect for that purpose.

SECTION 29. Sections 801.407(c) and 801.452(b) and (c), Occupations Code, as amended by this Act, and Section 801.411, Occupations Code, as added by this Act, apply only to conduct that occurs on or after the date that rules under Section 801.411 become effective. Conduct that occurs before that date is governed by the law in effect immediately before the effective date of this Act, and the former law is continued in effect for that purpose.

SECTION 30. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 319** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3083

Senator Hinojosa submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 3083** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HINOJOSA	PRICE
BUCKINGHAM	LARSON
HUFFMAN	S. THOMPSON
NELSON	DARBY
WATSON	RAYMOND
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 3083** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 27

Senator Campbell submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 27** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

CAMPBELL	BLANCO
BUCKINGHAM	PRICE
MENÉNDEZ	MUÑOZ
SCHWERTNER	SHEFFIELD
URESTI	CORTEZ
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the mental health program for veterans and to the authority to establish a trauma affected veterans clinical care and research center at The University of Texas Health Science Center at San Antonio.

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

SECTION 1. Subchapter D, Chapter 74, Education Code, is amended by adding Section 74.155 to read as follows:

Sec. 74.155. NATIONAL CENTER FOR WARRIOR RESILIENCY. (a) In this section:

(1) "Board" means the board of regents of The University of Texas System.

(2) "Center" means the National Center for Warrior Resiliency.

(b) The board may establish the National Center for Warrior Resiliency at The University of Texas Health Science Center at San Antonio for purposes of:

(1) researching issues relating to the detection, prevention, diagnosis, and treatment of combat-related post-traumatic stress disorder and comorbid conditions; and

(2) providing clinical care to enhance the psychological resiliency of military personnel and veterans.

(c) The board may solicit, accept, and administer gifts and grants from any public or private source for the use and benefit of the center.

SECTION 2. Section 434.351, Government Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "Peer service coordinator" means a person who recruits and retains veterans, peers, and volunteers to participate in the mental health program for veterans and related activities.

SECTION 3. Section 434.352(b), Government Code, is amended to read as follows:

(b) For the mental health program for veterans, the commission shall:

(1) provide training to peer service [~~volunteer~~] coordinators and peers in accordance with Section 434.353;

(2) provide technical assistance to peer service [~~volunteer~~] coordinators and peers;

(3) identify [~~recruit~~], train, and communicate with community-based licensed mental health professionals [~~therapists~~], community-based organizations, and faith-based organizations; and

(4) coordinate services for justice involved veterans.

SECTION 4. Section 434.353(a), Government Code, is amended to read as follows:

(a) The commission shall develop and implement methods for providing peer service [~~volunteer~~] coordinator certification training to peer service [~~volunteer~~] coordinators, including providing training for initial certification and recertification and providing continuing education.

SECTION 5. Section 1001.221, Health and Safety Code, is amended by adding Subdivision (1-a) to read as follows:

(1-a) "Peer service coordinator" means a person who recruits and retains veterans, peers, and volunteers to participate in the mental health program for veterans and related activities.

SECTION 6. Section 1001.222(a), Health and Safety Code, is amended to read as follows:

(a) The department shall develop a mental health intervention program for veterans. The program must include:

(1) peer-to-peer counseling;

(2) access to licensed mental health professionals for peer service [~~volunteer~~] coordinators and peers;

(3) training approved by the department for peer service coordinators, licensed mental health professionals, and peers;

(4) technical assistance for peer service [~~volunteer~~] coordinators, licensed mental health professionals, and peers;

(5) identification [~~grants to regional and local organizations providing services under this subchapter;~~

[~~(6) recruitment~~], retention, and screening of community-based licensed mental health professionals [~~therapists~~];

(6) [~~(7)~~] suicide prevention training for peer service [~~volunteer~~] coordinators and peers; and

(7) [~~(8)~~] veteran jail diversion services, including veterans treatment courts.

SECTION 7. Section 1001.224, Health and Safety Code, is amended to read as follows:

Sec. 1001.224. ANNUAL REPORT. Not later than December 1 of each year, the department shall submit a report to the governor and the legislature that includes:

(1) the number of veterans who received services through the mental health program for veterans;

(2) the number of peers and peer service [~~volunteer~~] coordinators trained;

(3) [~~a summary of the grants awarded and services provided through those grants;~~

[~~(4)~~] an evaluation of the services provided under this subchapter; and

(4) [~~(5)~~] recommendations for program improvements.

SECTION 8. The following laws are repealed:

(1) Section 434.351(4), Government Code;

(2) Section 1001.221(3), Health and Safety Code; and

(3) Section 1001.223, Health and Safety Code.

SECTION 9. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 27** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 810

Senator Bettencourt submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 810** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

BETTENCOURT	PARKER
MENÉNDEZ	SPRINGER
PERRY	GEREN
SCHWERTNER	COLEMAN
TAYLOR OF COLLIN	ZERWAS
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 810** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 501

Senator Taylor of Collin submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 501** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

TAYLOR OF COLLIN	CAPRIGLIONE
BIRDWELL	CLARDY
BETTENCOURT	S. DAVIS
LUCIO	MOODY
HUGHES	PHILLIPS
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 501** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1172

Senator Perry submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1172** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

PERRY	GEREN
CREIGHTON	ELKINS
HINOJOSA	GOLDMAN
ESTES	HEFNER
KOLKHORST	T. KING
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the regulation of seed by a political subdivision.

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

SECTION 1. Chapter 61, Agriculture Code, is amended by adding Section 61.019 to read as follows:

Sec. 61.019. LOCAL REGULATION OF SEED PROHIBITED. (a) Notwithstanding any other law and except as provided by Subsection (c), a political subdivision may not adopt an order, ordinance, or other measure that regulates agricultural seed, vegetable seed, weed seed, or any other seed in any manner, including planting seed or cultivating plants grown from seed.

(b) An order, ordinance, or other measure adopted by a political subdivision that violates Subsection (a) is void.

(c) A political subdivision may take any action otherwise prohibited by this section to:

(1) comply with any federal or state requirements;

(2) avoid a federal or state penalty or fine;

(3) attain or maintain compliance with federal or state environmental standards, including state water quality standards; or

(4) implement a:

(A) water conservation plan;

(B) drought contingency plan; or

(C) voluntary program as part of a conservation water management strategy included in the applicable regional water plan or state water plan.

(d) Nothing in this section preempts or otherwise limits the authority of any county or municipality to adopt and enforce zoning regulations, fire codes, building codes, storm water regulations, nuisance regulations as authorized by Section 342.004, Health and Safety Code, or waste disposal restrictions.

SECTION 2. Section 61.019(b), Agriculture Code, as added by this Act, applies to an order, ordinance, or other measure adopted before, on, or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1172** was again filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 999

Senator West submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 999** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WEST	GIDDINGS
KOLKHORST	FRANK
PERRY	KLICK
SCHWERTNER	RAYMOND
URESTI	WU
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to procedures for taking possession of a child and for certain hearings in a suit affecting the parent-child relationship involving the Department of Family and Protective Services.

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

SECTION 1. Section 155.201, Family Code, is amended by adding Subsection (d) to read as follows:

(d) On receiving notice that a court exercising jurisdiction under Chapter 262 has ordered the transfer of a suit under Section 262.203(a)(2), the court of continuing, exclusive jurisdiction shall, in accordance with the requirements of Section 155.204(i), transfer the proceedings to the court in which the suit under Chapter 262 is pending within the time required by Section 155.207(a).

SECTION 2. Section 155.204(i), Family Code, is amended to read as follows:

(i) If a transfer order has been signed by a court exercising jurisdiction under Chapter 262, the Department of Family and Protective Services shall [~~a party may~~] file the transfer order with the clerk of the court of continuing, exclusive jurisdiction.

On receipt and without a hearing or further order from the court of continuing, exclusive jurisdiction, the clerk of the court of continuing, exclusive jurisdiction shall transfer the files as provided by this subchapter within the time required by Section 155.207(a).

SECTION 3. Subchapter A, Chapter 262, Family Code, is amended by adding Section 262.013 to read as follows:

Sec. 262.013. FILING REQUIREMENT FOR PETITION REGARDING MORE THAN ONE CHILD. Each suit under this chapter based on allegations of abuse or neglect arising from the same incident or occurrence and involving children that live in the same home must be filed in the same court.

SECTION 4. Section 262.101, Family Code, is amended to read as follows:

Sec. 262.101. FILING PETITION BEFORE TAKING POSSESSION OF CHILD. An original suit filed by a governmental entity that requests permission to take possession of a child without prior notice and a hearing must be supported by an affidavit sworn to by a person with personal knowledge and stating facts sufficient to satisfy a person of ordinary prudence and caution that:

(1) there is an immediate danger to the physical health or safety of the child or the child has been a victim of neglect or sexual abuse;

(2) [~~and that~~] continuation in the home would be contrary to the child's welfare;

(3) [~~(2)~~] there is no time, consistent with the physical health or safety of the child, for a full adversary hearing under Subchapter C; and

(4) [~~(3)~~] reasonable efforts, consistent with the circumstances and providing for the safety of the child, were made to prevent or eliminate the need for the removal of the child.

SECTION 5. Section 262.1015(d), Family Code, is amended to read as follows:

(d) A temporary restraining order under this section expires not later than the 14th day after the date the order was rendered, unless the court grants an extension under Section 262.201(e) [~~262.201(a-3)~~].

SECTION 6. Section 262.102(a), Family Code, is amended to read as follows:

(a) Before a court may, without prior notice and a hearing, issue a temporary order for the conservatorship of a child under Section 105.001(a)(1) or a temporary restraining order or attachment of a child authorizing a governmental entity to take possession of a child in a suit brought by a governmental entity, the court must find that:

(1) there is an immediate danger to the physical health or safety of the child or the child has been a victim of neglect or sexual abuse;

(2) [~~and that~~] continuation in the home would be contrary to the child's welfare;

(3) [~~(2)~~] there is no time, consistent with the physical health or safety of the child and the nature of the emergency, for a full adversary hearing under Subchapter C; and

(4) [~~(3)~~] reasonable efforts, consistent with the circumstances and providing for the safety of the child, were made to prevent or eliminate the need for removal of the child.

SECTION 7. Section 262.103, Family Code, is amended to read as follows:

Sec. 262.103. DURATION OF TEMPORARY ORDER, TEMPORARY RESTRAINING ORDER, AND ATTACHMENT. A temporary order, temporary restraining order, or attachment of the child issued under Section 262.102(a) expires not later than 14 days after the date it is issued unless it is extended as provided by the Texas Rules of Civil Procedure or Section 262.201(e) [~~262.201(a-3)~~].

SECTION 8. Section 262.105, Family Code, is amended to read as follows:

Sec. 262.105. FILING PETITION AFTER TAKING POSSESSION OF CHILD IN EMERGENCY. (a) When a child is taken into possession without a court order, the person taking the child into possession, without unnecessary delay, shall:

(1) file a suit affecting the parent-child relationship;

(2) request the court to appoint an attorney ad litem for the child; and

(3) request an initial hearing to be held by no later than the first business [~~working~~] day after the date the child is taken into possession.

(b) An original suit filed by a governmental entity after taking possession of a child under Section 262.104 must be supported by an affidavit stating facts sufficient to satisfy a person of ordinary prudence and caution that:

(1) based on the affiant's personal knowledge or on information furnished by another person corroborated by the affiant's personal knowledge, one of the following circumstances existed at the time the child was taken into possession:

(A) there was an immediate danger to the physical health or safety of the child;

(B) the child was the victim of sexual abuse or of trafficking under Section 20A.02 or 20A.03, Penal Code;

(C) the parent or person who had possession of the child was using a controlled substance as defined by Chapter 481, Health and Safety Code, and the use constituted an immediate danger to the physical health or safety of the child; or

(D) the parent or person who had possession of the child permitted the child to remain on premises used for the manufacture of methamphetamine; and

(2) based on the affiant's personal knowledge:

(A) continuation of the child in the home would have been contrary to the child's welfare;

(B) there was no time, consistent with the physical health or safety of the child, for a full adversary hearing under Subchapter C; and

(C) reasonable efforts, consistent with the circumstances and providing for the safety of the child, were made to prevent or eliminate the need for the removal of the child.

SECTION 9. Sections 262.106(a) and (d), Family Code, are amended to read as follows:

(a) The court in which a suit has been filed after a child has been taken into possession without a court order by a governmental entity shall hold an initial hearing on or before the first business [~~working~~] day after the date the child is taken into possession. The court shall render orders that are necessary to protect the physical health and safety of the child. If the court is unavailable for a hearing on the first business [~~working~~] day, then, and only in that event, the hearing shall be held no later

than the first business [~~working~~] day after the court becomes available, provided that the hearing is held no later than the third business [~~working~~] day after the child is taken into possession.

(d) For the purpose of determining under Subsection (a) the first business [~~working~~] day after the date the child is taken into possession, the child is considered to have been taken into possession by the Department of Family and Protective Services on the expiration of the five-day period permitted under Section 262.007(c) or 262.110(b), as appropriate.

SECTION 10. Section 262.107(a), Family Code, is amended to read as follows:

(a) The court shall order the return of the child at the initial hearing regarding a child taken in possession without a court order by a governmental entity unless the court is satisfied that:

(1) the evidence shows that one of the following circumstances exists:

(A) there is a continuing danger to the physical health or safety of the child if the child is returned to the parent, managing conservator, possessory conservator, guardian, caretaker, or custodian who is presently entitled to possession of the child;

(B) [~~or the evidence shows that~~] the child has been the victim of sexual abuse or of trafficking under Section 20A.02 or 20A.03, Penal Code, on one or more occasions and that there is a substantial risk that the child will be the victim of sexual abuse or of trafficking in the future;

(C) the parent or person who has possession of the child is currently using a controlled substance as defined by Chapter 481, Health and Safety Code, and the use constitutes an immediate danger to the physical health or safety of the child; or

(D) the parent or person who has possession of the child has permitted the child to remain on premises used for the manufacture of methamphetamine;

(2) continuation of the child in the home would be contrary to the child's welfare; and

(3) reasonable efforts, consistent with the circumstances and providing for the safety of the child, were made to prevent or eliminate the need for removal of the child.

SECTION 11. Section 262.109(b), Family Code, is amended to read as follows:

(b) The written notice must be given as soon as practicable, but in any event not later than the first business [~~working~~] day after the date the child is taken into possession.

SECTION 12. Subchapter B, Chapter 262, Family Code, is amended by adding Section 262.1131 to read as follows:

Sec. 262.1131. TEMPORARY RESTRAINING ORDER BEFORE FULL ADVERSARY HEARING. In a suit filed under Section 262.113, the court may render a temporary restraining order as provided by Section 105.001.

SECTION 13. Section 262.201, Family Code, is amended to read as follows:

Sec. 262.201. FULL ADVERSARY HEARING; FINDINGS OF THE COURT. (a) In a suit filed under Section 262.101 or 262.105, unless [~~Unless~~] the child has already been returned to the parent, managing conservator, possessory conservator, guardian, caretaker, or custodian entitled to possession and the temporary order, if

any, has been dissolved, a full adversary hearing shall be held not later than the 14th day after the date the child was taken into possession by the governmental entity, unless the court grants an extension under Subsection (e) or (e-1) [~~(a-3)~~].

(b) A full adversary hearing in a suit filed under Section 262.113 requesting possession of a child shall be held not later than the 30th day after the date the suit is filed.

(c) [~~(a-1)~~] Before commencement of the full adversary hearing, the court must inform each parent not represented by an attorney of:

(1) the right to be represented by an attorney; and

(2) if a parent is indigent and appears in opposition to the suit, the right to a court-appointed attorney.

(d) [~~(a-2)~~] If a parent claims indigence and requests the appointment of an attorney before the full adversary hearing, the court shall require the parent to complete and file with the court an affidavit of indigence. The court may consider additional evidence to determine whether the parent is indigent, including evidence relating to the parent's income, source of income, assets, property ownership, benefits paid in accordance with a federal, state, or local public assistance program, outstanding obligations, and necessary expenses and the number and ages of the parent's dependents. If the appointment of an attorney for the parent is requested, the court shall make a determination of indigence before commencement of the full adversary hearing. If the court determines the parent is indigent, the court shall appoint an attorney to represent the parent.

(e) [~~(a-3)~~] The court may, for good cause shown, postpone the full adversary hearing for not more than seven days from the date of the attorney's appointment to provide the attorney time to respond to the petition and prepare for the hearing. The court may shorten or lengthen the extension granted under this subsection if the parent and the appointed attorney agree in writing. If the court postpones the full adversary hearing, the court shall extend a temporary order, temporary restraining order, or attachment issued by the court under Section 262.102(a) or Section 262.1131 for the protection of the child until the date of the rescheduled full adversary hearing.

(e-1) If a parent who is not indigent appears in opposition to the suit, the court may, for good cause shown, postpone the full adversary hearing for not more than seven days from the date of the parent's appearance to allow the parent to hire an attorney or to provide the parent's attorney time to respond to the petition and prepare for the hearing. A postponement under this subsection is subject to the limits and requirements prescribed by Subsection (e).

(f) [~~(a-4)~~] The court shall ask all parties present at the full adversary hearing whether the child or the child's family has a Native American heritage and identify any Native American tribe with which the child may be associated.

(g) In a suit filed under Section 262.101 or 262.105, at [~~(b) At~~] the conclusion of the full adversary hearing, the court shall order the return of the child to the parent, managing conservator, possessory conservator, guardian, caretaker, or custodian entitled to possession unless the court finds sufficient evidence to satisfy a person of ordinary prudence and caution that:

(1) there was a danger to the physical health or safety of the child, including a danger that the child would be a victim of trafficking under Section 20A.02 or 20A.03, Penal Code, which was caused by an act or failure to act of the person entitled to possession and for the child to remain in the home is contrary to the welfare of the child;

(2) the urgent need for protection required the immediate removal of the child and reasonable efforts, consistent with the circumstances and providing for the safety of the child, were made to eliminate or prevent the child's removal; and

(3) reasonable efforts have been made to enable the child to return home, but there is a substantial risk of a continuing danger if the child is returned home.

(h) In a suit filed under Section 262.101 or 262.105, if [~~(c) If~~] the court finds sufficient evidence to satisfy a person of ordinary prudence and caution that there is a continuing danger to the physical health or safety of the child and for the child to remain in the home is contrary to the welfare of the child, the court shall issue an appropriate temporary order under Chapter 105.

(i) In determining whether there is a continuing danger to the physical health or safety of the child under Subsection (g), the court may consider whether the household to which the child would be returned includes a person who:

(1) has abused or neglected another child in a manner that caused serious injury to or the death of the other child; or

(2) has sexually abused another child.

(j) In a suit filed under Section 262.113, at the conclusion of the full adversary hearing, the court shall issue an appropriate temporary order under Chapter 105 if the court finds sufficient evidence to satisfy a person of ordinary prudence and caution that:

(1) there is a continuing danger to the physical health or safety of the child caused by an act or failure to act of the person entitled to possession of the child and continuation of the child in the home would be contrary to the child's welfare; and

(2) reasonable efforts, consistent with the circumstances and providing for the safety of the child, were made to prevent or eliminate the need for the removal of the child.

(k) If the court finds that the child requires protection from family violence, as that term is defined by Section 71.004, by a member of the child's family or household, the court shall render a protective order for the child under Title 4.

(l) The court shall require each parent, alleged father, or relative of the child before the court to complete the proposed child placement resources form provided under Section 261.307 and file the form with the court, if the form has not been previously filed with the court, and provide the Department of Family and Protective Services with information necessary to locate any other absent parent, alleged father, or relative of the child. The court shall inform each parent, alleged father, or relative of the child before the court that the person's failure to submit the proposed child placement resources form will not delay any court proceedings relating to the child.

(m) The court shall inform each parent in open court that parental and custodial rights and duties may be subject to restriction or to termination unless the parent or parents are willing and able to provide the child with a safe environment. [~~If the court finds that the child requires protection from family violence by a member of the~~

~~child's family or household, the court shall render a protective order under Title 4 for the child. In this subsection, "family violence" has the meaning assigned by Section 71.004.~~

[~~(d) In determining whether there is a continuing danger to the physical health or safety of the child, the court may consider whether the household to which the child would be returned includes a person who:~~

[~~(1) has abused or neglected another child in a manner that caused serious injury to or the death of the other child; or~~

[~~(2) has sexually abused another child.~~]

(n) [~~(e)~~] The court shall place a child removed from the child's custodial parent with the child's noncustodial parent or with a relative of the child if placement with the noncustodial parent is inappropriate, unless placement with the noncustodial parent or a relative is not in the best interest of the child.

(o) [~~(f)~~] When citation by publication is needed for a parent or alleged or probable father in an action brought under this chapter because the location of the parent, alleged father, or probable father is unknown, the court may render a temporary order without delay at any time after the filing of the action without regard to whether notice of the citation by publication has been published.

(p) [~~(g)~~] For the purpose of determining under Subsection (a) the 14th day after the date the child is taken into possession, a child is considered to have been taken into possession by the Department of Family and Protective Services on the expiration of the five-day period permitted under Section 262.007(c) or 262.110(b), as appropriate.

SECTION 14. Section 262.203(a), Family Code, is amended to read as follows:

(a) On the motion of a party or the court's own motion, if applicable, the court that rendered the temporary order shall in accordance with procedures provided by Chapter 155:

(1) transfer the suit to the court of continuing, exclusive jurisdiction, if any, within the time required by Section 155.207(a), if the court finds that the transfer is:

(A) necessary for the convenience of the parties; and

(B) in the best interest of the child;

(2) [~~if grounds exist for mandatory transfer from the court of continuing, exclusive jurisdiction under Section 155.201,~~] order transfer of the suit from the [~~that~~] court of continuing, exclusive jurisdiction; or

(3) if grounds exist for transfer based on improper venue, order transfer of the suit to the court having venue of the suit under Chapter 103.

SECTION 15. Section 262.205, Family Code, is repealed.

SECTION 16. The changes in law made by this Act apply only to a suit affecting the parent-child relationship that is filed on or after the effective date of this Act. A suit filed before the effective date of this Act is governed by the law in effect on the date the suit is filed, and the former law is continued in effect for that purpose.

SECTION 17. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 999** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1521

Senator Whitmire submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1521** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

WHITMIRE	WHITE
BIRDWELL	HINOJOSA
BURTON	KEOUGH
HUGHES	ROMERO
GARCIA	WILSON
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1521** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 555

Senator Hughes submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 555** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HUGHES	SPRINGER
CREIGHTON	PHILLIPS
HUFFMAN	ROBERTS
TAYLOR OF GALVESTON	T. KING
WEST	CLARDY
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 555** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 2937

Senator Lucio submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2937** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

LUCIO	CANALES
NICHOLS	ASHBY
HINOJOSA	GONZÁLEZ
RODRÍGUEZ	LONGORIA
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2937** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 2227

Senator Hinojosa submitted the following Conference Committee Report:

Austin, Texas
May 25, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives
Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 2227** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HINOJOSA	MARTINEZ
HALL	MORRISON
KOLKHORST	PHILLIPS
NICHOLS	WRAY

PERRY
On the part of the Senate

MINJAREZ
On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to an increase in the fee for permits issued for the movement of oversize or overweight vehicles carrying cargo in Hidalgo County.

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

SECTION 1. Section 623.364(a), Transportation Code, is amended to read as follows:

(a) The authority may collect a fee for permits issued under this subchapter. Beginning September 1, 2017 [~~2013~~], the maximum amount of the fee may not exceed $200 [~~$80~~] per trip. On September 1 of each subsequent year, the authority may adjust the maximum fee amount as necessary to reflect the percentage change during the preceding year in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, published monthly by the United States Bureau of Labor Statistics or its successor in function.

SECTION 2. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 2227** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 1823

Senator Zaffirini submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1823** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

ZAFFIRINI
HUFFMAN
HUGHES
SCHWERTNER
LUCIO
On the part of the Senate

CANALES
COLLIER
LONGORIA
LOZANO
RAYMOND
On the part of the House

The Conference Committee Report on **HB 1823** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3767*

Senator Uresti submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 3767** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

URESTI	ALLEN
CAMPBELL	GIDDINGS
TAYLOR OF GALVESTON	HOWARD
WEST	THIERRY
	VANDEAVER
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 3767** was filed with the Secretary of the Senate.

*A corrected Conference Committee Report on **HB 3767** was also filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 634

Senator Estes submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 634** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

ESTES	BUTTON
BIRDWELL	C. ANDERSON
GARCIA	GOODEN

SELIGER
TAYLOR OF GALVESTON
On the part of the Senate

HINOJOSA
ROBERTS
On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to reporting requirements for certain skills development fund workforce training program providers.

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

SECTION 1. The heading to Section 303.004, Labor Code, is amended to read as follows:

Sec. 303.004. FUND REVIEW; REPORT BY CERTAIN WORKFORCE TRAINING PROVIDERS REQUIRED.

SECTION 2. Section 303.004, Labor Code, is amended by adding Subsection (c) to read as follows:

(c) If the Texas A&M Engineering Extension Service or a public community or technical college fails to submit a report required by Subsection (b)(2):

(1) the service or college must refund to the comptroller any unexpended state funds received by the service or college under this chapter for the state fiscal biennium in which the report was due; and

(2) the commission may not award any additional grant to the service or college under this chapter until the service or college has complied with that reporting requirement.

SECTION 3. Section 303.004(c), Labor Code, as added by this Act, applies beginning with reports due under Section 303.004(b)(2), Labor Code, not later than October 1, 2018.

SECTION 4. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 634** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1633

Senator Perry submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1633** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

PERRY

OLIVERSON

BUCKINGHAM	BURKETT
BURTON	DARBY
SCHWERTNER	K. KING
URESTI	NEVÁREZ
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the supervision of pharmacist-interns, pharmacy technicians, and pharmacy technician trainees by a pharmacist and the provision of pharmacy services through a telepharmacy system; establishing a remote dispensing site license.

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

SECTION 1. Section 551.003, Occupations Code, is amended by adding Subdivision (15-a) to read as follows:

(15-a) "Direct supervision" means supervision by a pharmacist who directs the activities of a pharmacist-intern, pharmacy technician, or pharmacy technician trainee to a sufficient degree to ensure the activities are performed accurately, safely, and without risk of harm to patients, as specified by board rule.

SECTION 2. Section 554.053(a), Occupations Code, is amended to read as follows:

(a) The board shall establish rules for the use and the duties of a pharmacy technician and pharmacy technician trainee employed by [~~in~~] a pharmacy licensed by the board. A pharmacy technician and pharmacy technician trainee shall be responsible to and must be directly supervised by a pharmacist.

SECTION 3. Section 562.110, Occupations Code, is amended by amending Subsections (a), (b), (d), (e), and (f) and adding Subsections (g), (h), (i), (j), and (k) to read as follows:

(a) In this section:

(1) "Provider pharmacy" means a Class A pharmacy that provides pharmacy services through a telepharmacy system at a remote dispensing site.

(2) "Remote dispensing site" means a location licensed as a telepharmacy that is authorized by a provider pharmacy through a telepharmacy system to store and dispense prescription drugs and devices, including dangerous drugs and controlled substances.

(3) "Telepharmacy[~~, "telepharmacy~~] system" means a system that monitors the dispensing of prescription drugs and provides for related drug use review and patient counseling services by an electronic method, including the use of the following types of technology:

(A) [~~(1)~~] audio and video;

(B) [~~(2)~~] still image capture; and

(C) [~~(3)~~] store and forward.

(b) A Class A or Class C pharmacy located in this state may provide pharmacy services, including the dispensing of drugs, through a telepharmacy system at locations separate from [~~in a facility that is not at the same location as~~] the Class A or Class C pharmacy.

(d) A telepharmacy system may be located only at:

(1) a health care facility in this state that is regulated by this state or the United States; or

(2) a remote dispensing site.

(e) The board shall adopt rules regarding the use of a telepharmacy system under this section, including:

(1) the types of health care facilities at which a telepharmacy system may be located under Subsection (d)(1), which must include the following facilities:

(A) a clinic designated as a rural health clinic regulated under 42 U.S.C. Section 1395x(aa)[~~, as amended~~]; and

(B) a health center as defined by 42 U.S.C. Section 254b[~~, as amended~~];

(2) the locations eligible to be licensed as remote dispensing sites, which must include locations in medically underserved areas, areas with a medically underserved population, and health professional shortage areas determined by the United States Department of Health and Human Services;

(3) licensing and operating requirements for remote dispensing sites, including:

(A) a requirement that a remote dispensing site license identify the provider pharmacy that will provide pharmacy services at the remote dispensing site;

(B) a requirement that a provider pharmacy be allowed to provide pharmacy services at not more than two remote dispensing sites;

(C) a requirement that a pharmacist employed by a provider pharmacy make at least monthly on-site visits to a remote dispensing site or more frequent visits if specified by board rule;

(D) a requirement that each month the perpetual inventory of controlled substances at the remote dispensing site be reconciled to the on-hand count of those controlled substances at the site by a pharmacist employed by the provider pharmacy;

(E) a requirement that a pharmacist employed by a provider pharmacy be physically present at a remote dispensing site when the pharmacist is providing services requiring the physical presence of the pharmacist, including immunizations;

(F) a requirement that a remote dispensing site be staffed by an on-site pharmacy technician who is under the continuous supervision of a pharmacist employed by the provider pharmacy;

(G) a requirement that all pharmacy technicians at a remote dispensing site be counted for the purpose of establishing the pharmacist-pharmacy technician ratio of the provider pharmacy, which, notwithstanding Section 568.006, may not exceed three pharmacy technicians for each pharmacist providing supervision;

(H) a requirement that, before working at a remote dispensing site, a pharmacy technician must:

(i) have worked at least one year at a retail pharmacy during the three years preceding the date the pharmacy technician begins working at the remote dispensing site; and

(ii) have completed a board-approved training program on the proper use of a telepharmacy system;

(I) a requirement that pharmacy technicians at a remote dispensing site may not perform extemporaneous sterile or nonsterile compounding but may prepare commercially available medications for dispensing, including the reconstitution of orally administered powder antibiotics; and

(J) any additional training or practice experience requirements for pharmacy technicians at a remote dispensing site;

(4) the areas that qualify under Subsection (f);

(5) [~~(3)~~] recordkeeping requirements; and

(6) [~~(4)~~] security requirements.

(f) A telepharmacy system located at a health care facility under Subsection (d)(1) may not be located in a community in which a Class A or Class C pharmacy is located as determined by board rule. If a Class A or Class C pharmacy is established in a community in which a telepharmacy system has been located under this section, the telepharmacy system may continue to operate in that community.

(g) A telepharmacy system located at a remote dispensing site under Subsection (d)(2) may not dispense a controlled substance listed in Schedule II as established by the commissioner of state health services under Chapter 481, Health and Safety Code.

(h) Except as provided by Subsection (j), a telepharmacy system located at a remote dispensing site under Subsection (d)(2) may not be located within 25 miles by road of a Class A pharmacy.

(i) Except as provided by Subsection (j), if a Class A pharmacy is established within 25 miles by road of a remote dispensing site that is currently operating, the remote dispensing site may continue to operate at that location.

(j) A telepharmacy system located at a remote dispensing site under Subsection (d)(2) in a county with a population of at least 13,000 but not more than 14,000 may not be located within 22 miles by road of a Class A pharmacy. If a Class A pharmacy is established within 22 miles by road of a remote dispensing site described by this subsection that is currently operating, the remote dispensing site may continue to operate at that location.

(k) The board by rule shall require and develop a process for a remote dispensing site to apply for classification as a Class A pharmacy if the average number of prescriptions dispensed each day the remote dispensing site is open for business is more than 125, as calculated each calendar year.

SECTION 4. The Texas State Board of Pharmacy shall adopt rules under Section 562.110, Occupations Code, as amended by this Act, not later than January 1, 2018.

SECTION 5. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1633** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2101

Senator Creighton submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2101** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

CREIGHTON	FRULLO
ESTES	HERRERO
TAYLOR OF GALVESTON	KUEMPEL
WHITMIRE	PADDIE
	S. THOMPSON
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2101** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3879

Senator Hancock submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 3879** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HANCOCK	GOLDMAN
CREIGHTON	HERRERO
ESTES	SHINE
WHITMIRE	GEREN
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 3879** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3270

Senator Taylor of Galveston submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 3270** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

TAYLOR OF GALVESTON	BOHAC
HALL	HUBERTY
HUGHES	MEYER
TAYLOR OF COLLIN	MURPHY
WEST	
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 3270** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1462

Senator Hinojosa submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1462** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HINOJOSA	GEREN
BIRDWELL	COLEMAN
CAMPBELL	BURNS
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the creation and operation of certain local health care provider participation programs.

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

SECTION 1. Section 288.151(b), Health and Safety Code, is amended to read as follows:

(b) Not later than the fifth [~~10th~~] day before the date of the hearing, the commission shall publish at least once notice of the hearing in a newspaper of general circulation in the county in which the district is located.

SECTION 2. Section 288.155(c), Health and Safety Code, is amended to read as follows:

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the district to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the district;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; [~~and~~]

(5) refund to paying hospitals the proportionate share of the money received by the district from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(6) refund to paying hospitals the proportionate share of money that the district determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments.

SECTION 3. Section 288.202, Health and Safety Code, is amended to read as follows:

Sec. 288.202. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The district may collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments required under this chapter [~~(a) Except as provided by Subsection (b), the county tax assessor-collector shall collect a mandatory payment required under this subchapter. The county tax assessor-collector shall charge and deduct from mandatory payments collected for the district a fee for collecting the mandatory payment in an amount determined by the commission, not to exceed the county tax assessor-collector's usual and customary charges.~~

[~~(b) If determined by the commission to be appropriate, the commission may contract for the assessment and collection of mandatory payments in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.~~

[~~(c) Revenue from a fee charged by a county tax assessor-collector for collecting the mandatory payment shall be deposited in the county general fund and, if appropriate, shall be reported as fees of the county tax assessor-collector~~].

SECTION 4. Section 291.101(b), Health and Safety Code, is amended to read as follows:

(b) Not later than the fifth [~~10th~~] day before the date of the hearing required under Subsection (a), the commissioners court of the county shall publish notice of the hearing in a newspaper of general circulation in the county.

SECTION 5. Section 291.103(c), Health and Safety Code, is amended to read as follows:

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the county to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the county solely for activities under this chapter;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; [~~and~~]

(5) refund to paying hospitals the proportionate share of money received by the county from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(6) refund to paying hospitals the proportionate share of money that the county determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments.

SECTION 6. Section 291.152, Health and Safety Code, is amended to read as follows:

Sec. 291.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The county may collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments authorized under this chapter [~~(a) Except as provided by Subsection (b), the county tax assessor-collector shall collect the mandatory payment authorized under this chapter. The county tax assessor-collector shall charge and deduct from mandatory payments collected for the county a fee for collecting the mandatory payment in an amount determined by the commissioners court of the county, not to exceed the county tax assessor-collector's usual and customary charges.~~

[~~(b) If determined by the commissioners court to be appropriate, the commissioners court may contract for the assessment and collection of mandatory payments in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.~~

[~~(c) Revenue from a fee charged by a county tax assessor-collector for collecting the mandatory payment shall be deposited in the county general fund and, if appropriate, shall be reported as fees of the county tax assessor-collector~~].

SECTION 7. Section 292.101(b), Health and Safety Code, is amended to read as follows:

(b) Not later than the fifth [~~10th~~] day before the date of the hearing required under Subsection (a), the commissioners court of the county shall publish notice of the hearing in a newspaper of general circulation in the county.

SECTION 8. Section 292.103(c), Health and Safety Code, is amended to read as follows:

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the county to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the county solely for activities under this chapter;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; [~~and~~]

(5) refund to paying hospitals the proportionate share of money received by the county from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(6) refund to paying hospitals the proportionate share of money that the county determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments.

SECTION 9. Section 292.152, Health and Safety Code, is amended to read as follows:

Sec. 292.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The county may collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments authorized under this chapter [~~(a) Except as provided by Subsection (b), the county tax assessor-collector shall collect the mandatory payment authorized under this chapter. The county tax assessor-collector shall charge and deduct from mandatory payments collected for the county a fee for collecting the mandatory payment in an amount determined by the commissioners court of the county, not to exceed the county tax assessor-collector's usual and customary charges.~~

[~~(b) If determined by the commissioners court to be appropriate, the commissioners court may contract for the assessment and collection of mandatory payments in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.~~

[~~(c) Revenue from a fee charged by a county tax assessor-collector for collecting the mandatory payment shall be deposited in the county general fund and, if appropriate, shall be reported as fees of the county tax assessor-collector~~].

SECTION 10. Section 293.001(1), Health and Safety Code, is amended to read as follows:

(1) "Institutional health care provider" means a nonpublic hospital that provides inpatient hospital services [~~licensed under Chapter 241~~].

SECTION 11. Section 293.101(b), Health and Safety Code, is amended to read as follows:

(b) Not later than the fifth [~~10th~~] day before the date of the hearing required under Subsection (a), the commissioners court of the county shall publish notice of the hearing in a newspaper of general circulation in the county.

SECTION 12. Section 293.103(c), Health and Safety Code, is amended to read as follows:

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the county to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the county solely for activities under this chapter;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; [~~and~~]

(5) refund to paying hospitals the proportionate share of money received by the county from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(6) refund to paying hospitals the proportionate share of money that the county determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments.

SECTION 13. Section 293.152, Health and Safety Code, is amended to read as follows:

Sec. 293.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The county may collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments authorized under this chapter [~~(a) Except as provided by Subsection (b), the county tax assessor-collector shall collect the mandatory payment authorized under this chapter. The county tax assessor-collector shall charge and deduct from mandatory payments collected for the county a fee for collecting the mandatory payment in an amount determined by the commissioners court of the county, not to exceed the county tax assessor-collector's usual and customary charges.~~

[~~(b) If determined by the commissioners court to be appropriate, the commissioners court may contract for the assessment and collection of mandatory payments in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.~~

[~~(c) Revenue from a fee charged by a county tax assessor-collector for collecting the mandatory payment shall be deposited in the county general fund and, if appropriate, shall be reported as fees of the county tax assessor-collector~~].

SECTION 14. Section 294.001(1), Health and Safety Code, is amended to read as follows:

(1) "Institutional health care provider" means a nonpublic hospital that provides inpatient hospital services [~~licensed under Chapter 241~~].

SECTION 15. Section 294.101(b), Health and Safety Code, is amended to read as follows:

(b) Not later than the fifth [~~10th~~] day before the date of the hearing required under Subsection (a), the commissioners court of the county shall publish notice of the hearing in a newspaper of general circulation in the county.

SECTION 16. Section 294.103(c), Health and Safety Code, is amended to read as follows:

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the county to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the county solely for activities under this chapter;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; [~~and~~]

(5) refund to paying hospitals the proportionate share of money received by the county from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(6) refund to paying hospitals the proportionate share of money that the county determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments.

SECTION 17. Section 294.152, Health and Safety Code, is amended to read as follows:

Sec. 294.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The county may collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments authorized under this chapter [~~(a) Except as provided by Subsection (b), the county tax assessor-collector shall collect the mandatory payment authorized under this chapter.~~

~~The county tax assessor-collector shall charge and deduct from mandatory payments collected for the county a fee for collecting the mandatory payment in an amount determined by the commissioners court of the county, not to exceed the county tax assessor-collector's usual and customary charges.~~

[~~(b) If determined by the commissioners court to be appropriate, the commissioners court may contract for the assessment and collection of mandatory payments in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.~~

[~~(c) Revenue from a fee charged by a county tax assessor-collector for collecting the mandatory payment shall be deposited in the county general fund and, if appropriate, shall be reported as fees of the county tax assessor-collector~~].

SECTION 18. Section 295.101(b), Health and Safety Code, is amended to read as follows:

(b) Not later than the fifth [~~10th~~] day before the date of the hearing required under Subsection (a), the governing body of the municipality shall publish notice of the hearing in a newspaper of general circulation in the municipality.

SECTION 19. Section 295.103(c), Health and Safety Code, is amended to read as follows:

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the municipality to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the municipality solely for activities under this chapter;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; [~~and~~]

(5) refund to paying hospitals the proportionate share of money received by the municipality from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(6) refund to paying hospitals the proportionate share of money that the governing body of the municipality determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments.

SECTION 20. Section 295.152, Health and Safety Code, is amended to read as follows:

Sec. 295.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The municipality may collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments authorized under this chapter [~~(a) Except as provided by Subsection (b), the municipal tax~~

~~assessor-collector shall collect the mandatory payment authorized under this chapter. The municipal tax assessor-collector shall charge and deduct from mandatory payments collected for the municipality a fee for collecting the mandatory payment in an amount determined by the governing body of the municipality, not to exceed the municipal tax assessor-collector's usual and customary charges.~~

[~~(b) If determined by the governing body to be appropriate, the governing body may contract for the assessment and collection of mandatory payments in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.~~

[~~(c) Revenue from a fee charged by a municipal tax assessor-collector for collecting the mandatory payment shall be deposited in the municipal general fund and, if appropriate, shall be reported as fees of the municipal tax assessor-collector~~].

SECTION 21. Section 296.101(b), Health and Safety Code, is amended to read as follows:

(b) Not later than the fifth [~~10th~~] day before the date of the hearing required under Subsection (a), the commissioners court of the county shall publish notice of the hearing in a newspaper of general circulation in the county.

SECTION 22. Section 296.103(c), Health and Safety Code, is amended to read as follows:

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the county to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the county solely for activities under this chapter;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; [~~and~~]

(5) refund to paying hospitals the proportionate share of money received by the county from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(6) refund to paying hospitals the proportionate share of money that the county determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments.

SECTION 23. Section 296.152, Health and Safety Code, is amended to read as follows:

Sec. 296.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The county may collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments authorized under this chapter [~~(a) Except as provided by Subsection (b), the county tax assessor-collector shall collect the mandatory payment authorized under this chapter.~~

~~The county tax assessor-collector shall charge and deduct from mandatory payments collected for the county a fee for collecting the mandatory payment in an amount determined by the commissioners court of the county, not to exceed the county tax assessor-collector's usual and customary charges.~~

[~~(b) If determined by the commissioners court to be appropriate, the commissioners court may contract for the assessment and collection of mandatory payments in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.~~

[~~(c) Revenue from a fee charged by a county tax assessor-collector for collecting the mandatory payment shall be deposited in the county general fund and, if appropriate, shall be reported as fees of the county tax assessor-collector~~].

SECTION 24. Section 297.001(1), Health and Safety Code, is amended to read as follows:

(1) "Institutional health care provider" means a nonpublic hospital that provides inpatient hospital services [~~licensed under Chapter 241~~].

SECTION 25. Section 297.101(b), Health and Safety Code, is amended to read as follows:

(b) Not later than the fifth [~~10th~~] day before the date of the hearing required under Subsection (a), the commissioners court of the county shall publish notice of the hearing in a newspaper of general circulation in the county.

SECTION 26. Section 297.103(c), Health and Safety Code, is amended to read as follows:

(c) Money deposited to the local provider participation fund may be used only to:

(1) fund intergovernmental transfers from the county to the state to provide:

(A) the nonfederal share of a Medicaid supplemental payment program authorized under the state Medicaid plan, the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315), or a successor waiver program authorizing similar Medicaid supplemental payment programs; or

(B) payments to Medicaid managed care organizations that are dedicated for payment to hospitals;

(2) subsidize indigent programs;

(3) pay the administrative expenses of the county solely for activities under this chapter;

(4) refund a portion of a mandatory payment collected in error from a paying hospital; [~~and~~]

(5) refund to paying hospitals the proportionate share of money received by the county from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; and

(6) refund to paying hospitals the proportionate share of money that the county determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments.

SECTION 27. Section 297.152, Health and Safety Code, is amended to read as follows:

Sec. 297.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The county may collect or, using a competitive bidding process, contract for the assessment and collection of mandatory payments authorized under this chapter [~~(a) Except as provided by Subsection (b), the county tax assessor-collector shall collect the mandatory payment authorized under this chapter. The county tax assessor-collector shall charge and deduct from mandatory payments collected for the county a fee for collecting the mandatory payment in an amount determined by the commissioners court of the county, not to exceed the county tax assessor-collector's usual and customary charges.~~

[~~(b) If determined by the commissioners court to be appropriate, the commissioners court may contract for the assessment and collection of mandatory payments in the manner provided by Title 1, Tax Code, for the assessment and collection of ad valorem taxes.~~

[~~(c) Revenue from a fee charged by a county tax assessor-collector for collecting the mandatory payment shall be deposited in the county general fund and, if appropriate, shall be reported as fees of the county tax assessor-collector~~].

SECTION 28. Subtitle D, Title 4, Health and Safety Code, is amended by adding Chapter 298B to read as follows:

CHAPTER 298B. TARRANT COUNTY HOSPITAL DISTRICT HEALTH CARE PROVIDER PARTICIPATION PROGRAM

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 298B.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of hospital managers of the district.

(2) "District" means the Tarrant County Hospital District.

(3) "Institutional health care provider" means a nonpublic hospital located in the district that provides inpatient hospital services.

(4) "Paying provider" means an institutional health care provider required to make a mandatory payment under this chapter.

(5) "Program" means the health care provider participation program authorized by this chapter.

Sec. 298B.002. APPLICABILITY. This chapter applies only to the Tarrant County Hospital District.

Sec. 298B.003. HEALTH CARE PROVIDER PARTICIPATION PROGRAM; PARTICIPATION IN PROGRAM. The board may authorize the district to participate in a health care provider participation program on the affirmative vote of a majority of the board, subject to the provisions of this chapter.

Sec. 298B.004. EXPIRATION OF AUTHORITY. (a) Subject to Sections 298B.153(d) and 298B.154, the authority of the district to administer and operate a program under this chapter expires December 31, 2019.

(b) Subsection (a) does not affect the authority of the district to require and collect a mandatory payment under Section 298B.154 after December 31, 2019, if necessary.

SUBCHAPTER B. POWERS AND DUTIES OF BOARD

Sec. 298B.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY PAYMENT. The board may require a mandatory payment authorized under this chapter by an institutional health care provider in the district only in the manner provided by this chapter.

Sec. 298B.052. RULES AND PROCEDURES. The board may adopt rules relating to the administration of the program, including collection of the mandatory payments, expenditures, audits, and any other administrative aspects of the program.

Sec. 298B.053. INSTITUTIONAL HEALTH CARE PROVIDER REPORTING. If the board authorizes the district to participate in a program under this chapter, the board shall require each institutional health care provider to submit to the district a copy of any financial and utilization data required by and reported to the Department of State Health Services under Sections 311.032 and 311.033 and any rules adopted by the executive commissioner of the Health and Human Services Commission to implement those sections.

SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

Sec. 298B.101. HEARING. (a) In each year that the board authorizes a program under this chapter, the board shall hold a public hearing on the amounts of any mandatory payments that the board intends to require during the year and how the revenue derived from those payments is to be spent.

(b) Not later than the fifth day before the date of the hearing required under Subsection (a), the board shall publish notice of the hearing in a newspaper of general circulation in the district and provide written notice of the hearing to each institutional health care provider in the district.

Sec. 298B.102. DEPOSITORY. (a) If the board requires a mandatory payment authorized under this chapter, the board shall designate one or more banks as a depository for the district's local provider participation fund.

(b) All funds collected under this chapter shall be secured in the manner provided for securing other district funds.

Sec. 298B.103. LOCAL PROVIDER PARTICIPATION FUND; AUTHORIZED USES OF MONEY. (a) If the district requires a mandatory payment authorized under this chapter, the district shall create a local provider participation fund.

(b) The local provider participation fund consists of:

(1) all revenue received by the district attributable to mandatory payments authorized under this chapter;

(2) money received from the Health and Human Services Commission as a refund of an intergovernmental transfer under the program, provided that the intergovernmental transfer does not receive a federal matching payment; and

(3) the earnings of the fund.

(c) Money deposited to the local provider participation fund of the district may be used only to:

(1) fund intergovernmental transfers from the district to the state to provide the nonfederal share of Medicaid payments for:

(A) uncompensated care payments to nonpublic hospitals affiliated with the district, if those payments are authorized under the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315);

(B) uniform rate enhancements for nonpublic hospitals in the Medicaid managed care service area in which the district is located;

(C) payments available under another waiver program authorizing payments that are substantially similar to Medicaid payments to nonpublic hospitals described by Paragraph (A) or (B); or

(D) any reimbursement to nonpublic hospitals for which federal matching funds are available;

(2) subject to Section 298B.151(d), pay the administrative expenses of the district in administering the program, including collateralization of deposits;

(3) refund a mandatory payment collected in error from a paying provider;

(4) refund to paying providers a proportionate share of the money that the district:

(A) receives from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; or

(B) determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments;

(5) transfer funds to the Health and Human Services Commission if the district is legally required to transfer the funds to address a disallowance of federal matching funds with respect to programs for which the district made intergovernmental transfers described by Subdivision (1); and

(6) reimburse the district if the district is required by the rules governing the uniform rate enhancement program described by Subdivision (1)(B) to incur an expense or forego Medicaid reimbursements from the state because the balance of the local provider participation fund is not sufficient to fund that rate enhancement program.

(d) Money in the local provider participation fund may not be commingled with other district funds.

(e) Notwithstanding any other provision of this chapter, with respect to an intergovernmental transfer of funds described by Subsection (c)(1) made by the district, any funds received by the state, district, or other entity as a result of that transfer may not be used by the state, district, or any other entity to:

(1) expand Medicaid eligibility under the Patient Protection and Affordable Care Act (Pub. L. No. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. No. 111-152); or

(2) fund the nonfederal share of payments to nonpublic hospitals available through the Medicaid disproportionate share hospital program or the delivery system reform incentive payment program.

SUBCHAPTER D. MANDATORY PAYMENTS

Sec. 298B.151. MANDATORY PAYMENTS BASED ON PAYING PROVIDER NET PATIENT REVENUE. (a) Except as provided by Subsection (e), if the board authorizes a health care provider participation program under this chapter,

the board may require an annual mandatory payment to be assessed on the net patient revenue of each institutional health care provider located in the district. The board may provide for the mandatory payment to be assessed quarterly. In the first year in which the mandatory payment is required, the mandatory payment is assessed on the net patient revenue of an institutional health care provider as determined by the data reported to the Department of State Health Services under Sections 311.032 and 311.033 in the most recent fiscal year for which that data was reported. If the institutional health care provider did not report any data under those sections, the provider's net patient revenue is the amount of that revenue as contained in the provider's Medicare cost report submitted for the previous fiscal year or for the closest subsequent fiscal year for which the provider submitted the Medicare cost report. If the mandatory payment is required, the district shall update the amount of the mandatory payment on an annual basis.

(b) The amount of a mandatory payment authorized under this chapter must be uniformly proportionate with the amount of net patient revenue generated by each paying provider in the district as permitted under federal law. A health care provider participation program authorized under this chapter may not hold harmless any institutional health care provider, as required under 42 U.S.C. Section 1396b(w).

(c) If the board requires a mandatory payment authorized under this chapter, the board shall set the amount of the mandatory payment, subject to the limitations of this chapter. The aggregate amount of the mandatory payments required of all paying providers in the district may not exceed six percent of the aggregate net patient revenue from hospital services provided by all paying providers in the district.

(d) Subject to Subsection (c), if the board requires a mandatory payment authorized under this chapter, the board shall set the mandatory payments in amounts that in the aggregate will generate sufficient revenue to cover the administrative expenses of the district for activities under this chapter and to fund an intergovernmental transfer described by Section 298B.103(c)(1). The annual amount of revenue from mandatory payments that shall be paid for administrative expenses by the district is $150,000, plus the cost of collateralization of deposits, regardless of actual expenses.

(e) A paying provider may not add a mandatory payment required under this section as a surcharge to a patient.

(f) A mandatory payment assessed under this chapter is not a tax for hospital purposes for purposes of Section 4, Article IX, Texas Constitution, or Section 281.045.

Sec. 298B.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. (a) The district may designate an official of the district or contract with another person to assess and collect the mandatory payments authorized under this chapter.

(b) The person charged by the district with the assessment and collection of mandatory payments shall charge and deduct from the mandatory payments collected for the district a collection fee in an amount not to exceed the person's usual and customary charges for like services.

(c) If the person charged with the assessment and collection of mandatory payments is an official of the district, any revenue from a collection fee charged under Subsection (b) shall be deposited in the district general fund and, if appropriate, shall be reported as fees of the district.

Sec. 298B.153. PURPOSE; CORRECTION OF INVALID PROVISION OR PROCEDURE; LIMITATION OF AUTHORITY. (a) The purpose of this chapter is to authorize the district to establish a program to enable the district to collect mandatory payments from institutional health care providers to fund the nonfederal share of a Medicaid supplemental payment program or the Medicaid managed care rate enhancements for nonpublic hospitals to support the provision of health care by institutional health care providers to district residents in need of health care.

(b) This chapter does not authorize the district to collect mandatory payments for the purpose of raising general revenue or any amount in excess of the amount reasonably necessary to fund the nonfederal share of a Medicaid supplemental payment program or Medicaid managed care rate enhancements for nonpublic hospitals and to cover the administrative expenses of the district associated with activities under this chapter.

(c) To the extent any provision or procedure under this chapter causes a mandatory payment authorized under this chapter to be ineligible for federal matching funds, the board may provide by rule for an alternative provision or procedure that conforms to the requirements of the federal Centers for Medicare and Medicaid Services. A rule adopted under this section may not create, impose, or materially expand the legal or financial liability or responsibility of the district or an institutional health care provider in the district beyond the provisions of this chapter. This section does not require the board to adopt a rule.

(d) The district may only assess and collect a mandatory payment authorized under this chapter if a waiver program, uniform rate enhancement, or reimbursement described by Section 298B.103(c)(1) is available to the district.

Sec. 298B.154. FEDERAL DISALLOWANCE. Notwithstanding any other provision of this chapter, if the Centers for Medicare and Medicaid Services issues a disallowance of federal matching funds for a purpose for which intergovernmental transfers described by Section 298B.103(c)(1) were made and the Health and Human Services Commission demands repayment from the district of federal funds paid to the district for that purpose, the district may require and collect mandatory payments from each paying provider that received those federal funds in an amount sufficient to satisfy the repayment demand made by the commission. The percentage limitation prescribed by Section 298B.151(c) does not apply to a mandatory payment required under this section.

SECTION 29. As soon as practicable after the expiration of the authority of the Tarrant County Hospital District to administer and operate a health care provider participation program under Chapter 298B, Health and Safety Code, as added by this Act, the board of hospital managers of the Tarrant County Hospital District shall transfer to each institutional health care provider in the district that provider's proportionate share of any remaining funds in any local provider participation fund created by the district under Section 298B.103, Health and Safety Code, as added by this Act.

SECTION 30. If before implementing any provision of Chapter 298B, Health and Safety Code, as added by this Act, a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 31. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1462** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1625

Senator Uresti submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1625** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

URESTI	CORTEZ
SCHWERTNER	OLIVERSON
BUCKINGHAM	J. RODRIGUEZ
TAYLOR OF COLLIN	SHEFFIELD
WATSON	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the Texas Physician Assistant Board and the licensing and regulation of physician assistants.

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

SECTION 1. Section 157.0512, Occupations Code, is amended by amending Subsections (e) and (f) and adding Subsection (f-1) to read as follows:

(e) A prescriptive authority agreement must, at a minimum:

(1) be in writing and signed and dated by the parties to the agreement;

(2) state the name, address, and all professional license numbers of the parties to the agreement;

(3) state the nature of the practice, practice locations, or practice settings;

(4) identify the types or categories of drugs or devices that may be prescribed or the types or categories of drugs or devices that may not be prescribed;

(5) provide a general plan for addressing consultation and referral;

(6) provide a plan for addressing patient emergencies;

(7) state the general process for communication and the sharing of information between the physician and the advanced practice registered nurse or physician assistant to whom the physician has delegated prescriptive authority related to the care and treatment of patients;

(8) if alternate physician supervision is to be utilized, designate one or more alternate physicians who may:

(A) provide appropriate supervision on a temporary basis in accordance with the requirements established by the prescriptive authority agreement and the requirements of this subchapter; and

(B) participate in the prescriptive authority quality assurance and improvement plan meetings required under this section; and

(9) describe a prescriptive authority quality assurance and improvement plan and specify methods for documenting the implementation of the plan that include [~~includes~~] the following:

(A) chart review, with the number of charts to be reviewed determined by the physician and advanced practice registered nurse or physician assistant; [~~and~~]

(B) if the agreement is between a physician and an advanced practice registered nurse, periodic face-to-face meetings between the advanced practice registered nurse [~~or physician assistant~~] and the physician at a location determined by the physician and the advanced practice registered nurse; and

(C) if the agreement is between a physician and a physician assistant, periodic meetings between the physician assistant and the physician [~~or physician assistant~~].

(f) The periodic face-to-face meetings described by Subsection (e)(9)(B) must:

(1) include:

(A) the sharing of information relating to patient treatment and care, needed changes in patient care plans, and issues relating to referrals; and

(B) discussion of patient care improvement; and

(2) be documented and occur:

(A) except as provided by Paragraph (B):

(i) at least monthly until the third anniversary of the date the agreement is executed; and

(ii) at least quarterly after the third anniversary of the date the agreement is executed, with monthly meetings held between the quarterly meetings by means of a remote electronic communications system, including videoconferencing technology or the Internet; or

(B) if during the seven years preceding the date the agreement is executed the advanced practice registered nurse [~~or physician assistant~~] for at least five years was in a practice that included the exercise of prescriptive authority with required physician supervision:

(i) at least monthly until the first anniversary of the date the agreement is executed; and

(ii) at least quarterly after the first anniversary of the date the agreement is executed, with monthly meetings held between the quarterly meetings by means of a remote electronic communications system, including videoconferencing technology or the Internet.

(f-1) The periodic meetings described by Subsection (e)(9)(C) must:

(1) include:

(A) the sharing of information relating to patient treatment and care, needed changes in patient care plans, and issues relating to referrals; and

(B) discussion of patient care improvement;

(2) be documented; and

(3) take place at least once a month in a manner determined by the physician and the physician assistant.

SECTION 2. Subchapter B, Chapter 204, Occupations Code, is amended by adding Section 204.0585 to read as follows:

Sec. 204.0585. EXECUTIVE SESSION. After hearing all evidence and arguments in an open meeting, the physician assistant board may conduct deliberations relating to a license application or disciplinary action in an executive session. The board shall vote and announce its decision in open session.

SECTION 3. Section 204.059, Occupations Code, is amended by amending Subsection (b) and adding Subsection (d) to read as follows:

(b) The training program must provide the person with information regarding:

(1) the law governing physician assistant board operations;

(2) the [~~this chapter and the physician assistant board's~~] programs, functions, rules, and budget of the physician assistant board;

(3) the scope of and limitations on the rulemaking authority of the physician assistant board;

(4) [~~(2)~~] the results of the most recent formal audit of the physician assistant board;

(5) [~~(3)~~] the requirements of:

(A) laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest; and

(B) other laws applicable to members of the physician assistant board in performing their duties; and

(6) [~~(4)~~] any applicable ethics policies adopted by the physician assistant board or the Texas Ethics Commission.

(d) The executive director of the medical board shall create a training manual that includes the information required by Subsection (b). The executive director shall distribute a copy of the training manual annually to each physician assistant board member. On receipt of the training manual, each board member shall sign and submit to the executive director a statement acknowledging receipt of the training manual.

SECTION 4. Subchapter D, Chapter 204, Occupations Code, is amended by adding Section 204.1525 to read as follows:

Sec. 204.1525. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR LICENSE ISSUANCE. (a) The physician assistant board shall require that an applicant for a license submit a complete and legible set of

fingerprints, on a form prescribed by the board, to the board or to the Department of Public Safety for the purpose of obtaining criminal history record information from the Department of Public Safety and the Federal Bureau of Investigation.

(b) The physician assistant board may not issue a license to a person who does not comply with the requirement of Subsection (a).

(c) The physician assistant board shall conduct a criminal history record information check of each applicant for a license using information:

(1) provided by the individual under this section; and

(2) made available to the board by the Department of Public Safety, the Federal Bureau of Investigation, and any other criminal justice agency under Chapter 411, Government Code.

(d) The physician assistant board may:

(1) enter into an agreement with the Department of Public Safety to administer a criminal history record information check required under this section; and

(2) authorize the Department of Public Safety to collect from each applicant the costs incurred by the Department of Public Safety in conducting the criminal history record information check.

SECTION 5. Section 204.153(a), Occupations Code, is amended to read as follows:

(a) To be eligible for a license under this chapter, an applicant must:

(1) successfully complete an educational program for physician assistants or surgeon assistants accredited by the Committee on Allied Health Education and Accreditation or by that committee's predecessor or successor entities;

(2) pass the Physician Assistant National Certifying Examination administered by the National Commission on Certification of Physician Assistants;

(3) hold a certificate issued by the National Commission on Certification of Physician Assistants;

(4) [~~be of good moral character;~~

[~~(5)~~] meet any other requirement established by physician assistant board rule; and

(5) [~~(6)~~] pass a jurisprudence examination approved by the physician assistant board as provided by Subsection (a-1).

SECTION 6. Section 204.156, Occupations Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) A license issued under this chapter is valid for a term of two or more years, as determined by physician assistant board rule.

(a-1) On notification from the physician assistant board, a person who holds a license under this chapter may renew the license by:

(1) paying the required renewal fee;

(2) submitting the appropriate form; and

(3) meeting any other requirement established by board rule.

SECTION 7. Subchapter D, Chapter 204, Occupations Code, is amended by adding Section 204.1561 to read as follows:

Sec. 204.1561. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR RENEWAL. (a) An applicant for renewal of a license issued under this chapter shall submit a complete and legible set of fingerprints for purposes of performing a criminal history record information check of the applicant as provided by Section 204.1525.

(b) The physician assistant board may administratively suspend or refuse to renew the license of a person who does not comply with the requirement of Subsection (a).

(c) A license holder is not required to submit fingerprints under this section for the renewal of the license if the holder has previously submitted fingerprints under:

(1) Section 204.1525 for the initial issuance of the license; or

(2) this section as part of a prior renewal of a license.

SECTION 8. Subchapter D, Chapter 204, Occupations Code, is amended by adding Section 204.158 to read as follows:

Sec. 204.158. REFUSAL FOR VIOLATION OF BOARD ORDER. The physician assistant board may refuse to renew a license issued under this chapter if the license holder is in violation of a physician assistant board order.

SECTION 9. Subchapter E, Chapter 204, Occupations Code, is amended by adding Section 204.210 to read as follows:

Sec. 204.210. PROTECTION FOR REFUSAL TO ENGAGE IN CERTAIN CONDUCT. (a) A person may not suspend, terminate, or otherwise discipline, discriminate against, or retaliate against:

(1) a physician assistant who refuses to engage in an act or omission as provided by Subsection (b); or

(2) a person who advises a physician assistant of the physician assistant's rights under this section.

(b) A physician assistant may refuse to engage in an act or omission relating to patient care that would constitute grounds for reporting the physician assistant to the physician assistant board under Section 204.208 or that violates this chapter or a rule adopted under this chapter if the physician assistant notifies the person at the time of the refusal that the reason for refusing is that the act or omission:

(1) constitutes grounds for reporting the physician assistant to the physician assistant board; or

(2) is a violation of this chapter or a rule adopted under this chapter.

(c) An act by a person under Subsection (a) does not constitute a violation of this section if a medical peer review committee determines:

(1) that the act or omission the physician assistant refused to engage in was not:

(A) conduct reportable to the physician assistant board under Section 204.208; or

(B) a violation of this chapter or a rule adopted under this chapter; or

(2) that:

(A) the act or omission in which the physician assistant refused to engage was conduct reportable to the physician assistant board or a violation of this chapter or a rule adopted under this chapter; and

(B) the person:

(i) rescinds any disciplinary or discriminatory action taken against the physician assistant;

(ii) compensates the physician assistant for any lost wages; and

(iii) restores to the physician assistant any lost benefits.

(d) A physician assistant's rights under this section may not be nullified by a contract.

(e) An appropriate licensing agency may take action against a person who violates this section.

SECTION 10. Section 204.313(a), Occupations Code, is amended to read as follows:

(a) In an informal meeting under Section 204.312, at least two panelists shall be appointed to determine whether an informal disposition is appropriate. At least one of the panelists must be a licensed physician assistant.

SECTION 11. Section 157.0512, Occupations Code, as amended by this Act, applies only to a prescriptive authority agreement entered into on or after the effective date of this Act. An agreement entered into before the effective date of this Act is governed by the law in effect on the date the agreement was entered into, and the former law is continued in effect for that purpose.

SECTION 12. (a) Except as provided by Subsection (b) of this section, Section 204.059, Occupations Code, as amended by this Act, applies to a member of the Texas Physician Assistant Board appointed before, on, or after the effective date of this Act.

(b) A member of the Texas Physician Assistant Board who, before the effective date of this Act, completed the training program required by Section 204.059, Occupations Code, as that law existed before the effective date of this Act, is only required to complete additional training on the subjects added by this Act to the training program required by Section 204.059, Occupations Code. A board member described by this subsection may not vote, deliberate, or be counted as a member in attendance at a meeting of the board held on or after December 1, 2017, until the member completes the additional training.

SECTION 13. Not later than September 1, 2019, the Texas Physician Assistant Board shall obtain criminal history record information on each person who, on the effective date of this Act, holds a license issued under Chapter 204, Occupations Code, and did not undergo a criminal history record information check based on the license holder's fingerprints on the initial application for the license. The Texas Physician Assistant Board may suspend the license of a license holder who does not provide the criminal history record information as required by the board and this section.

SECTION 14. Section 204.210, Occupations Code, as added by this Act, applies only to an act or omission that occurs on or after the effective date of this Act. An act or omission that occurs before the effective date of this Act is governed by the law in effect on the date the act or omission occurred, and the former law is continued in effect for that purpose.

SECTION 15. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1625** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3292

Senator Hinojosa submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 3292** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HINOJOSA	KLICK
BUCKINGHAM	C. ANDERSON
CAMPBELL	COLLIER
KOLKHORST	FRANK
URESTI	GUILLEN
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 3292** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 894

Senator Buckingham submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 894** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BUCKINGHAM	MUÑOZ
HINOJOSA	S. DAVIS
PERRY	RAYMOND
SCHWERTNER	ZERWAS
BURTON	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to auditing and verification of information under certain health and human services programs, including the collection of certain payments following an investigation.

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

SECTION 1. Section 321.013, Government Code, is amended by adding Subsection (m) to read as follows:

(m) In devising the audit plan under Subsection (c), the State Auditor shall consider the performance of audits of programs operated by health and human services agencies that:

(1) have not recently received audit coverage; and

(2) have expenditures of less than $100 million per year.

SECTION 2. Section 531.024172, Government Code, is amended to read as follows:

Sec. 531.024172. ELECTRONIC VISIT VERIFICATION SYSTEM. (a) Not later than March 31, 2018, the commission shall conduct a review of the electronic visit verification system in use under this section on August 31, 2017. Notwithstanding any other provision of this section, the commission is required to implement a change in law made to this section by S.B. 894, Acts of the 85th Legislature, Regular Session, 2017, only if the commission determines the implementation is appropriate based on the findings of the review. The commission may combine the review required by this subsection with any similar review required to be conducted by the commission.

(b) Subject to Subsection (g), [~~In this section, "acute nursing services" has the meaning assigned by Section 531.02417.~~

[~~(b) If it is cost-effective and feasible,~~] the commission shall, in accordance with federal law, implement an electronic visit verification system to electronically verify [~~and document,~~] through a telephone, global positioning, or computer-based system that personal care services, attendant care services, or other services identified by the commission that are provided to recipients under Medicaid, including personal care services or attendant care services provided under the Texas Health Care Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315) or any other Medicaid waiver program, are provided to recipients in accordance with a prior authorization or plan of care. The electronic visit verification system implemented under this subsection must allow for verification of only the following[~~, basic~~] information relating to the delivery of Medicaid [~~acute nursing~~] services[~~, including~~]:

(1) the type of service provided [~~the provider's name~~];

(2) the name of the recipient to whom the service is provided [~~the recipient's name~~]; [~~and~~]

(3) the date and times [~~time~~] the provider began [~~begins~~] and ended the [~~ends each~~] service delivery visit;

(4) the location, including the address, at which the service was provided;

(5) the name of the individual who provided the service; and

(6) other information the commission determines is necessary to ensure the accurate adjudication of Medicaid claims.

(c) The commission shall inform each Medicaid recipient who receives personal care services, attendant care services, or other services identified by the commission that the health care provider providing the services and the recipient are each required to comply with the electronic visit verification system. A managed care organization that contracts with the commission to provide health care services to Medicaid recipients described by this subsection shall also inform recipients enrolled in a managed care plan offered by the organization of those requirements.

(d) In implementing the electronic visit verification system:

(1) subject to Subsection (e), the executive commissioner shall adopt compliance standards for health care providers; and

(2) the commission shall ensure that:

(A) the information required to be reported by health care providers is standardized across managed care organizations that contract with the commission to provide health care services to Medicaid recipients and across commission programs;

(B) processes required by managed care organizations to retrospectively correct data are standardized and publicly accessible to health care providers; and

(C) standardized processes are established for addressing the failure of a managed care organization to provide a timely authorization for delivering services necessary to ensure continuity of care.

(e) In establishing compliance standards for health care providers under Subsection (d), the executive commissioner shall consider:

(1) the administrative burdens placed on health care providers required to comply with the standards; and

(2) the benefits of using emerging technologies for ensuring compliance, including Internet-based, mobile telephone-based, and global positioning-based technologies.

(f) A health care provider that provides personal care services, attendant care services, or other services identified by the commission to Medicaid recipients shall:

(1) use an electronic visit verification system to document the provision of those services;

(2) comply with all documentation requirements established by the commission;

(3) comply with applicable federal and state laws regarding confidentiality of recipients' information;

(4) ensure that the commission or the managed care organization with which a claim for reimbursement for a service is filed may review electronic visit verification system documentation related to the claim or obtain a copy of that documentation at no charge to the commission or the organization; and

(5) at any time, allow the commission or a managed care organization with which a health care provider contracts to provide health care services to recipients enrolled in the organization's managed care plan to have direct, on-site access to the electronic visit verification system in use by the health care provider.

(g) The commission may recognize a health care provider's proprietary electronic visit verification system as complying with this section and allow the health care provider to use that system for a period determined by the commission if the commission determines that the system:

(1) complies with all necessary data submission, exchange, and reporting requirements established under this section;

(2) meets all other standards and requirements established under this section; and

(3) has been in use by the health care provider since at least June 1, 2014.

(h) The commission shall create a stakeholder work group comprised of representatives of affected health care providers, managed care organizations, and Medicaid recipients and periodically solicit from that work group input regarding the ongoing operation of the electronic visit verification system under this section.

(i) The executive commissioner may adopt rules necessary to implement this section.

SECTION 3. Section 531.120, Government Code, is amended by adding Subsection (c) to read as follows:

(c) The commission shall provide the notice required by Subsection (a) to a provider that is a hospital not later than the 90th day before the date the overpayment or debt that is the subject of the notice must be paid.

SECTION 4. Chapter 533, Government Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. STRATEGY FOR MANAGING AUDIT RESOURCES

Sec. 533.051. DEFINITIONS. In this subchapter:

(1) "Accounts receivable tracking system" means the system the commission uses to track experience rebates and other payments collected from managed care organizations.

(2) "Agreed-upon procedures engagement" means an evaluation of a managed care organization's financial statistical reports or other data conducted by an independent auditing firm engaged by the commission as agreed in the managed care organization's contract with the commission.

(3) "Experience rebate" means the amount a managed care organization is required to pay the state according to the graduated rebate method described in the managed care organization's contract with the commission.

(4) "External quality review organization" means an organization that performs an external quality review of a managed care organization in accordance with 42 C.F.R. Section 438.350.

Sec. 533.052. APPLICABILITY AND CONSTRUCTION OF SUBCHAPTER. This subchapter does not apply to and may not be construed as affecting the conduct of audits by the commission's office of inspector general under the authority provided by Subchapter C, Chapter 531, including an audit of a managed care organization conducted by the office after coordinating the office's audit and oversight activities with the commission as required by Section 531.102(q), as added by Chapter 837 (S.B. 200), Acts of the 84th Legislature, Regular Session, 2015.

Sec. 533.053. OVERALL STRATEGY FOR MANAGING AUDIT RESOURCES. The commission shall develop and implement an overall strategy for planning, managing, and coordinating audit resources that the commission uses to verify the accuracy and reliability of program and financial information reported by managed care organizations.

Sec. 533.054. PERFORMANCE AUDIT SELECTION PROCESS AND FOLLOW-UP. (a) To improve the commission's processes for performance audits of managed care organizations, the commission shall:

(1) document the process by which the commission selects managed care organizations to audit;

(2) include previous audit coverage as a risk factor in selecting managed care organizations to audit; and

(3) prioritize the highest risk managed care organizations to audit.

(b) To verify that managed care organizations correct negative performance audit findings, the commission shall:

(1) establish a process to:

(A) document how the commission follows up on negative performance audit findings; and

(B) verify that managed care organizations implement performance audit recommendations; and

(2) establish and implement policies and procedures to:

(A) determine under what circumstances the commission must issue a corrective action plan to a managed care organization based on a performance audit; and

(B) follow up on the managed care organization's implementation of the corrective action plan.

Sec. 533.055. AGREED-UPON PROCEDURES ENGAGEMENTS AND CORRECTIVE ACTION PLANS. To enhance the commission's use of agreed-upon procedures engagements to identify managed care organizations' performance and compliance issues, the commission shall:

(1) ensure that financial risks identified in agreed-upon procedures engagements are adequately and consistently addressed; and

(2) establish policies and procedures to determine under what circumstances the commission must issue a corrective action plan based on an agreed-upon procedures engagement.

Sec. 533.056. AUDITS OF PHARMACY BENEFIT MANAGERS. To obtain greater assurance about the effectiveness of pharmacy benefit managers' internal controls and compliance with state requirements, the commission shall:

(1) periodically audit each pharmacy benefit manager that contracts with a managed care organization; and

(2) develop, document, and implement a monitoring process to ensure that managed care organizations correct and resolve negative findings reported in performance audits or agreed-upon procedures engagements of pharmacy benefit managers.

Sec. 533.057. COLLECTION OF COSTS FOR AUDIT-RELATED SERVICES. The commission shall develop, document, and implement billing processes in the Medicaid and CHIP services department of the commission to ensure that managed care organizations reimburse the commission for audit-related services as required by contract.

Sec. 533.058. COLLECTION ACTIVITIES RELATED TO PROFIT SHARING. To strengthen the commission's process for collecting shared profits from managed care organizations, the commission shall develop, document, and implement monitoring processes in the Medicaid and CHIP services department of the commission to ensure that the commission:

(1) identifies experience rebates deposited in the commission's suspense account and timely transfers those rebates to the appropriate accounts; and

(2) timely follows up on and resolves disputes over experience rebates claimed by managed care organizations.

Sec. 533.059. USE OF INFORMATION FROM EXTERNAL QUALITY REVIEWS. (a) To enhance the commission's monitoring of managed care organizations, the commission shall use the information provided by the external quality review organization, including:

(1) detailed data from results of surveys of Medicaid recipients and, if applicable, child health plan program enrollees, caregivers of those recipients and enrollees, and Medicaid and, as applicable, child health plan program providers; and

(2) the validation results of matching paid claims data with medical records.

(b) The commission shall document how the commission uses the information described by Subsection (a) to monitor managed care organizations.

Sec. 533.060. SECURITY AND PROCESSING CONTROLS OVER INFORMATION TECHNOLOGY SYSTEMS. The commission shall:

(1) strengthen user access controls for the commission's accounts receivable tracking system and network folders that the commission uses to manage the collection of experience rebates;

(2) document daily reconciliations of deposits recorded in the accounts receivable tracking system to the transactions processed in:

(A) the commission's cost accounting system for all health and human services agencies; and

(B) the uniform statewide accounting system; and

(3) develop, document, and implement a process to ensure that the commission formally documents:

(A) all programming changes made to the accounts receivable tracking system; and

(B) the authorization and testing of the changes described by Paragraph (A).

SECTION 5. (a) As soon as practicable after March 31, 2018, and to the extent appropriate based on the review conducted by the Health and Human Services Commission under Section 531.024172(a), Government Code, as amended by this Act, the commission shall implement an electronic visit verification system that complies with Section 531.024172, Government Code, as amended by this Act.

(b) As soon as practicable after the effective date of this Act, the executive commissioner of the Health and Human Services Commission shall adopt the rules necessary to implement Subchapter B, Chapter 533, Government Code, as added by this Act.

SECTION 6. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 7. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 894** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 968

Senator Watson submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 968** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WATSON	ALVARADO
LUCIO	CLARDY
NELSON	HINOJOSA
CAMPBELL	LEACH
HUGHES	LOZANO
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to a sexual assault policy at certain public and private institutions of higher education and to requiring those institutions to provide students and employees an option to electronically report certain offenses to the institution.

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

SECTION 1. Section 51.9363, Education Code, is amended to read as follows:

Sec. 51.9363. [~~CAMPUS~~] SEXUAL ASSAULT POLICY. (a) In this section, "postsecondary educational institution" means an [~~"~~]institution of higher education or a private or independent institution of higher education, as those terms are defined[~~" has the meaning assigned~~] by Section 61.003.

(b) Each postsecondary educational institution [~~of higher education~~] shall adopt a policy on [~~campus~~] sexual assault applicable to each student enrolled at and each employee of the institution. The policy must:

(1) include:

(A) definitions of prohibited behavior;

(B) sanctions for violations; and

(C) the protocol for reporting and responding to reports of [~~campus~~] sexual assault; and

(2) be approved by the institution's governing board before final adoption by the institution.

(c) Each postsecondary educational institution [~~of higher education~~] shall make the institution's [~~campus~~] sexual assault policy available to students, faculty, and staff members by:

(1) including the policy in the institution's student handbook and personnel handbook; and

(2) creating and maintaining a web page on the institution's Internet website dedicated solely to the policy.

(d) Each postsecondary educational institution [~~of higher education~~] shall require each entering freshman or undergraduate transfer student to attend an orientation on the institution's [~~campus~~] sexual assault policy before or during the first semester or term in which the student is enrolled at the institution. The institution shall establish the format and content of the orientation.

(e) Each postsecondary educational institution shall develop and implement a public awareness campaign to inform students enrolled at and employees of the institution of the institution's sexual assault policy. As part of the campaign, the institution shall provide to students information regarding the protocol for reporting incidents of sexual assault adopted under Subsection (b), including the name, office location, and contact information of the institution's Title IX coordinator, by:

(1) e-mailing the information to each student at the beginning of each semester or other academic term; and

(2) including the information in the orientation required under Subsection (d).

(f) As part of the protocol for responding to reports of sexual assault adopted under Subsection (b), each postsecondary educational institution shall:

(1) to the greatest extent practicable based on the number of counselors employed by the institution, ensure that each alleged victim or alleged perpetrator of an incident of sexual assault and any other person who reports such an incident are offered counseling provided by a counselor who does not provide counseling to any other person involved in the incident; and

(2) notwithstanding any other law, allow an alleged victim or alleged perpetrator of an incident of sexual assault to drop a course in which both parties are enrolled without any academic penalty.

(g) Each biennium, each postsecondary educational institution [~~of higher education~~] shall review the institution's [~~campus~~] sexual assault policy and, with approval of the institution's governing board, revise the policy as necessary.

SECTION 2. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.9365 to read as follows:

Sec. 51.9365. ELECTRONIC REPORTING OPTION FOR CERTAIN OFFENSES. (a) In this section:

(1) "Dating violence" means abuse or violence, or a threat of abuse or violence, against a person with whom the actor has or has had a social relationship of a romantic or intimate nature.

(2) "Postsecondary educational institution" means an institution of higher education or a private or independent institution of higher education, as those terms are defined by Section 61.003.

(3) "Sexual assault" means sexual contact or intercourse with a person without the person's consent, including sexual contact or intercourse against the person's will or in a circumstance in which the person is incapable of consenting to the contact or intercourse.

(4) "Sexual harassment" means unwelcome, sex-based verbal or physical conduct that:

(A) in the employment context, unreasonably interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment; or

(B) in the education context, is sufficiently severe, persistent, or pervasive that the conduct interferes with a student's ability to participate in or benefit from educational programs or activities.

(5) "Stalking" means a course of conduct directed at a person that would cause a reasonable person to fear for the person's safety or to suffer substantial emotional distress.

(b) Each postsecondary educational institution shall provide an option for a student enrolled at or an employee of the institution to electronically report to the institution an allegation of sexual harassment, sexual assault, dating violence, or stalking committed against or witnessed by the student or employee, regardless of the location at which the alleged offense occurred.

(c) The electronic reporting option provided under Subsection (b) must:

(1) enable a student or employee to report the alleged offense anonymously; and

(2) be easily accessible through a clearly identifiable link on the postsecondary educational institution's Internet website home page.

(d) A protocol for reporting sexual assault adopted under Section 51.9363 must comply with this section.

(e) The Texas Higher Education Coordinating Board may adopt rules as necessary to administer this section.

(f) The commissioner of higher education shall establish an advisory committee to recommend to the Texas Higher Education Coordinating Board rules for adoption under Subsection (e). The advisory committee consists of nine members appointed by the commissioner. Each member must be a chief executive officer of a postsecondary educational institution or a representative designated by that officer. Not later than

December 1, 2017, the advisory committee shall submit the committee's recommendations to the coordinating board. This subsection expires September 1, 2018.

SECTION 3. Section 51.9363, Education Code, as amended by this Act, applies beginning with the 2017-2018 academic year.

SECTION 4. Not later than January 1, 2018, each public or private postsecondary educational institution shall provide the electronic reporting option required under Section 51.9365, Education Code, as added by this Act.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 968** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 2244

Senator West submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 2244** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

WEST	GIDDINGS
CAMPBELL	COSPER
LUCIO	HOLLAND
CREIGHTON	PEREZ
NICHOLS	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the creation of the University Hills Municipal Management District; providing authority to issue bonds; providing authority to impose assessments or fees.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3947 to read as follows:

CHAPTER 3947. UNIVERSITY HILLS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3947.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the City of Dallas, Texas.

(3) "Commission" means the Texas Commission on Environmental Quality.

(4) "County" means Dallas County, Texas.

(5) "Director" means a board member.

(6) "District" means the University Hills Municipal Management District.

Sec. 3947.002. CREATION AND NATURE OF DISTRICT. The University Hills Municipal Management District is a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 3947.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.

Sec. 3947.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.

(c) The district is created to accomplish the purposes of a municipal management district as provided by general law and Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.

(d) The creation of the district is in the public interest and is essential to:

(1) further the public purposes of developing and diversifying the economy of the state;

(2) eliminate unemployment and underemployment; and

(3) develop or expand transportation and commerce.

(e) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center; and

(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.

(f) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.

Sec. 3947.005. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:

(1) organization, existence, or validity;

(2) right to contract;

(3) authority to borrow money or issue bonds or other obligations described by Section 3947.203 or to pay the principal and interest of the bonds or other obligations;

(4) right to impose or collect an assessment or collect other revenue; or

(5) legality or operation.

Sec. 3947.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. (a) All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code; or

(3) an enterprise zone created under Chapter 2303, Government Code.

(b) If the city creates a tax increment reinvestment zone described by Subsection (a), the city and the board of directors of the zone, by contract with the district, may grant money deposited in the tax increment fund to the district to be used by the district for:

(1) the purposes permitted for money granted to a corporation under Section 380.002(b), Local Government Code; and

(2) any other district purpose, including the right to pledge the money as security for any bonds or other obligations issued by the district under Section 3947.203.

(c) If the city creates a tax increment reinvestment zone described by Subsection (a), the city may determine the percentage of the property in the zone that may be used for residential purposes and is not subject to the limitations provided by Section 311.006, Tax Code.

Sec. 3947.007. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED. On receipt of a petition signed by the owners of a majority of the acreage and the assessed value of real property in the district according to the most recent certified tax appraisal roll for the county, the initial directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 3947.008. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICT LAW. Except as provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3947.009. CONSTRUCTION OF CHAPTER. This chapter shall be construed in conformity with the findings and purposes stated in this chapter.

Sec. 3947.010. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 3947.007 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 3947.011. CONCURRENCE ON ADDITIONAL POWERS. If the legislature grants the district a power that is in addition to the powers approved by the initial resolution of the governing body of the city consenting to the creation of the district, the district may not exercise that power unless the governing body of the city consents to that change by ordinance or resolution.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3947.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 3947.054, directors serve staggered four-year terms, with two or three directors' terms expiring June 1 of each odd-numbered year.

Sec. 3947.052. BOARD MEETINGS. The board shall hold meetings at a place accessible to the public.

Sec. 3947.053. REMOVAL OF DIRECTORS. (a) The board may remove a director by unanimous vote of the other directors if the director has missed at least half of the meetings scheduled during the preceding 12 months.

(b) A director removed under this section may file a written appeal with the commission not later than the 30th day after the date the director receives written notice of the board action. The commission may reinstate the director if the commission finds that the removal was unwarranted under the circumstances after considering the reasons for the absences, the time and place of the meetings, the business conducted at the meetings missed, and any other relevant circumstances.

Sec. 3947.054. INITIAL DIRECTORS. (a) The initial board consists of:

Pos. No.	Name of Director
1	Kenneth Medlock
2	Michael Williams
3	Susan Larson
4	Alan Michlin
5	Michael Warner

(b) Initial directors serve until the earlier of:

(1) the date permanent directors are elected under Section 3947.007; or

(2) the fourth anniversary of the effective date of the Act enacting this chapter.

(c) If permanent directors have not been elected under Section 3947.007 and the terms of the initial directors have expired, successor initial directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1) the date permanent directors are elected under Section 3947.007; or

(2) the fourth anniversary of the date of the appointment or reappointment.

(d) If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district according to the most recent certified tax appraisal rolls for the county may submit a petition to the commission requesting that the commission appoint as successor initial directors the five persons named in the petition. The commission shall appoint as successor initial directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3947.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3947.102. IMPROVEMENT PROJECTS. The district may provide, or it may enter into contracts with a governmental or private entity to provide, the improvement projects described by Subchapter D or activities in support of or incidental to those projects.

Sec. 3947.103. WATER DISTRICT POWERS. The district has the powers provided by the general laws relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water Code.

Sec. 3947.104. AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads or improvements, including storm drainage, in aid of those roads.

Sec. 3947.105. ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b) If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c) If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 3947.106. NO TOLL ROADS. The district may not construct, acquire, maintain, or operate a toll road.

Sec. 3947.107. PUBLIC IMPROVEMENT DISTRICT POWERS. The district has the powers provided by Chapter 372, Local Government Code, to a municipality or county.

Sec. 3947.108. CONTRACT POWERS. The district may contract with a governmental or private entity, on terms determined by the board, to carry out a power or duty authorized by this chapter or to accomplish a purpose for which the district is created.

Sec. 3947.109. AD VALOREM TAXATION. The district may not impose an ad valorem tax.

Sec. 3947.110. LIMITATIONS ON EMERGENCY SERVICES POWERS. The district may not establish, operate, maintain, or finance a police or fire department without the consent of the city by ordinance or resolution.

Sec. 3947.111. ADDING OR REMOVING TERRITORY. As provided by Subchapter J, Chapter 49, Water Code, the board may add territory inside the corporate boundaries or the extraterritorial jurisdiction of the city to the district or remove territory inside the corporate boundaries or the extraterritorial jurisdiction of the city from the district, except that:

(1) the addition or removal of the territory must be approved by the city;

(2) the addition or removal may not occur without petition by the owners of the territory being added or removed; and

(3) territory may not be removed from the district if bonds or other obligations of the district payable wholly or partly from assessments assessed on the territory are outstanding.

Sec. 3947.112. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:

(1) has no outstanding bonded debt; and

(2) is not imposing ad valorem taxes.

(b) This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(c) Any new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 3947.007 to confirm the creation of the district.

(f) An order dividing the district must:

(1) name each new district;

(2) include the metes and bounds description of the territory of each new district;

(3) appoint initial directors for each new district; and

(4) provide for the division of assets and liabilities between or among the new districts.

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a confirmation and directors' election as required by Section 3947.007.

(i) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 3947.010 acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

(j) Any new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

(k) If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.

Sec. 3947.113. ENFORCEMENT OF REAL PROPERTY RESTRICTIONS. The district may enforce a real property restriction in the manner provided by Section 54.237, Water Code, if, in the reasonable judgment of the board, the enforcement of the restriction is necessary.

Sec. 3947.114. PROPERTY OF CERTAIN UTILITIES EXEMPT FROM ASSESSMENTS AND FEES. The district may not impose an assessment, impact fee, or standby fee on the property, including the equipment, rights-of-way, easements, facilities, or improvements, of:

(1) an electric utility or a power generation company as defined by Section 31.002, Utilities Code;

(2) a gas utility, as defined by Section 101.003 or 121.001, Utilities Code, or a person who owns pipelines used for the transportation or sale of oil or gas or a product or constituent of oil or gas;

(3) a person who owns pipelines used for the transportation or sale of carbon dioxide;

(4) a telecommunications provider as defined by Section 51.002, Utilities Code; or

(5) a cable service provider or video service provider as defined by Section 66.002, Utilities Code.

Sec. 3947.115. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SUBCHAPTER D. IMPROVEMENT PROJECTS AND SERVICES

Sec. 3947.151. IMPROVEMENT PROJECTS AND SERVICES. The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service, including water, wastewater, drainage, and roadway projects or services, using any money available to the district, or contract with a governmental or private entity and reimburse that entity for the provision, design, construction, acquisition, improvement, relocation, operation, maintenance, or financing of an improvement project, service, or cost, for the provision of credit enhancement, or for any cost of operating or maintaining the district or the issuance of district obligations authorized under this chapter, Chapter 372 or 375, Local Government Code, or Chapter 49 or 54, Water Code.

Sec. 3947.152. BOARD DETERMINATION REQUIRED. The district may not undertake an improvement project unless the board determines the project is necessary to accomplish a public purpose of the district.

Sec. 3947.153. LOCATION OF IMPROVEMENT PROJECT. An improvement project may be located or provide service inside or outside the district.

Sec. 3947.154. CITY REQUIREMENTS. An improvement project in the district must comply with any applicable requirements of the city, including codes and ordinances, unless specifically waived or superseded by agreement with the city.

Sec. 3947.155. IMPROVEMENT PROJECT AND SERVICE IN DEFINABLE AREA; BENEFIT BASIS. The district may undertake an improvement project or service that confers a special benefit on a definable area in the district and levy and collect a special assessment on benefited property in the district in accordance with:

(1) Chapter 372, Local Government Code; or

(2) Chapter 375, Local Government Code.

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3947.201. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 3947.202. MONEY USED FOR IMPROVEMENTS OR SERVICES. The district may undertake and provide an improvement project or service authorized by this chapter using any money available to the district.

Sec. 3947.203. BORROWING MONEY; OBLIGATIONS. (a) The district may borrow money for a district purpose, including the acquisition or construction of improvement projects authorized by this chapter and the reimbursement of a person who develops or owns an improvement project authorized by this chapter, by issuing bonds, notes, time warrants, or other obligations, or by entering into a contract or other agreement payable wholly or partly from an assessment, a contract payment, a grant, revenue from a zone created under Chapter 311 or 312, Tax Code, other district revenue, or a combination of these sources.

(b) An obligation described by Subsection (a):

(1) may bear interest at a rate determined by the board; and

(2) may include a term or condition as determined by the board.

(c) The board may issue an obligation under this section without an election.

(d) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from assessments in the manner provided by Subchapter J, Chapter 375, Local Government Code.

(e) If the improvements financed by an obligation will be conveyed to or operated and maintained by a municipality or retail utility provider pursuant to an agreement between the district and the municipality or retail utility provider entered into before the issuance of the obligation, the obligation may be issued in the manner provided by Subchapter A, Chapter 372, Local Government Code.

Sec. 3947.204. ASSESSMENTS. (a) Except as provided by Subsections (b) and (c), the district may impose an assessment on property in the district to pay for an obligation described by Section 3947.203 or an improvement project authorized by Section 3947.151 in the manner provided for:

(1) a district under Subchapters A, E, and F, Chapter 375, Local Government Code; or

(2) a municipality or county under Subchapter A, Chapter 372, Local Government Code.

(b) The district may not impose an assessment on a municipality, county, or other political subdivision.

(c) The board may not finance an improvement project or service with assessments unless a written petition requesting that improvement project or service has been filed with the board. The petition must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3947.205. RESIDENTIAL PROPERTY NOT EXEMPT. Sections 375.161 and 375.164, Local Government Code, do not apply to the district.

Sec. 3947.206. COLLECTION OF ASSESSMENTS. The district may contract as provided by Chapter 791, Government Code, with the commissioners court of the county for the assessment and collection of assessments imposed under this subchapter.

Sec. 3947.207. RATES, FEES, AND CHARGES. The district may establish, revise, repeal, enforce, and collect rates, fees, and charges for the enjoyment, sale, rental, or other use of:

(1) an improvement project;

(2) a product resulting from an improvement project; or

(3) another district facility, service, or property.

SUBCHAPTER F. DISSOLUTION

Sec. 3947.251. DISSOLUTION BY BOARD. The board may dissolve the district in the manner provided by Section 375.261, Local Government Code, subject to Section 375.264, Local Government Code.

Sec. 3947.252. DISSOLUTION BY CITY. (a) The city may dissolve the district by ordinance.

(b) The city may not dissolve the district until:

(1) the district's outstanding debt or contractual obligations have been repaid or discharged; or

(2) the city agrees to succeed to the rights and obligations of the district, including an obligation described by Section 3947.254.

Sec. 3947.253. COLLECTION OF ASSESSMENTS AND OTHER REVENUE. (a) If the dissolved district has bonds or other obligations outstanding secured by and payable from assessments or other revenue, the city succeeds to the rights and obligations of the district regarding enforcement and collection of the assessments or other revenue.

(b) The city shall have and exercise all district powers to enforce and collect the assessments or other revenue to pay:

(1) the bonds or other obligations when due and payable according to their terms; or

(2) revenue or assessment bonds or other obligations issued by the city to refund the outstanding bonds or obligations of the district.

Sec. 3947.254. ASSUMPTION OF ASSETS AND LIABILITIES. (a) After the city dissolves the district, the city assumes the obligations of the district, including any contractual obligations or bonds or other debt payable from assessments or other district revenue.

(b) If the city dissolves the district, the board shall transfer ownership of all district property to the city.

SECTION 2. The University Hills Municipal Management District initially includes all the territory contained in the following area:

BEING a 281.112-acres tract or parcel of land out of Abstract Number 1277, Abstract Number 0014 and Abstract Number 0380 situated in the City of Dallas, Dallas County, Texas; and being part of that tract of land conveyed to Patriot Real Estate Holdings RS10 by Deed recorded in Instrument Number 201200385008, Deed Records, Dallas County Texas, and being part of that tract of land conveyed to CADG Property Holdings I, LLC by deed recorded in Instrument Number 201600055916, Deed Records, Dallas County, Texas, and being part of that tract of land conveyed to CADG Property Holdings I, LLC by deed recorded in Instrument Number 201500029116, Deed Records, Dallas County, and being part of that tract of land conveyed to CADG Property Holdings SPV, LLC by deed recorded in Instrument Number 201400314231, Deed Recorded, Dallas County, Texas, and being part of that tract of land conveyed to St. Marks Believers Temple by deed recorded in Volume 81014, Page 976, Deed Records, Dallas County, Texas; and being more particularly described as follows:

COMMENCING at the northeast corner of a tract of land conveyed to Patriot Real Estate Holdings RS10 by deed recorded in Instrument Number 201200385008, Deed Records, Dallas County, Texas, said point being in the west right-of-way line of Lancaster Road (variable width right-of-way);

THENCE South 07 degrees 07 minutes 07 seconds East along the easterly line of said Patriot Real Estate Holdings RS10 tract and along the westerly right-of-way line of said Lancaster Road a distance of 433.04 feet to the POINT OF BEGINNING;

THENCE South 07 degrees 25 minutes 01 seconds East, continuing along the easterly line of said Instrument Number 201600198606 tract and the westerly right-of-way line of said Lancaster Road, a total distance of 734.79 feet to a point for corner;

THENCE South 07 degrees 25 minutes 18 seconds East, following the easterly line of said Instrument Number 201600055154 and the westerly right-of-way line of Lancaster Road, a total distance of 583.17 feet to a point for corner;

THENCE South 06 degrees 24 minutes 46 seconds East, continuing along said westerly right-of-way line, a total distance of 105.30 feet to a point for corner;

THENCE South 07 degrees 54 minutes 14 seconds East, continuing along said westerly right-of-way line, a total distance of 193.87 feet to a point for corner;

THENCE South 07 degrees 27 minutes 10 seconds East, continuing along said westerly right-of-way line and following the easterly line of said Instrument Number 201600055916a total distance of 401.82 feet to a point for corner, said point being the northeast corner of a tract of land conveyed to Yvonne Simmons by deed recorded in Volume 2005121, Page 3183, Deed Records, Dallas County, Texas;

THENCE South 82 degrees 29 minutes 50 seconds West, continuing along the easterly line of said Instrument Number 201600055916 tract and the northerly line of said Simmons tract, a total distance of 150.00 feet to a point for corner; said point being the northwesterly corner of said Simmons tract;

THENCE South 07 degrees 27 minutes 10 seconds East, continuing along the easterly line of said Instrument Number 201600055916 tract and the westerly line of said Simmons tract, a total distance of 68.00 feet to a point for corner, said point being the southwest corner of said Simmons tract;

THENCE North 82 degrees 29 minutes 50 seconds East, continuing along the easterly line of said Instrument Number 201600055916 tract and the southerly line of said Simmons tract, a total distance of 150.00 feet to a point for corner, said point being the southeast corner of said Simmons tract;

THENCE South 07 degrees 27 minutes 10 seconds East, following said westerly right-of-way line of Lancaster Road, a total distance of 251.73 feet to a point for corner, said point being the beginning of a tangent curve to the left;

THENCE in a southeasterly direction along a curve to the left, having a central angle of 00 degrees 23 minutes 50 seconds, a radius of 8654.40 feet, and a chord bearing and distance of South 07 degrees 39 minutes 05 seconds East, 60.00 feet, a total arc length of 60.00 feet to a point for corner, said point being in an easterly corner of a tract of land conveyed to King E. Rhodes, by deed recorded in Volume 2002187, Page 0125, Deed Records, Dallas County, Texas;

THENCE South 77 degrees 25 minutes 31 seconds West, along the southerly line of said Instrument Number 201600055916 tract and the easterly line of said Rhodes tract, a total distance of 323.66 feet to a point for corner, said point being the southwest corner of said Instrument Number 201600055916 tract, said point also being a easterly corner of said Rhodes tract;

THENCE North 07 degrees 22 minutes 14 seconds West, along the westerly line of said Instrument Number 201600055916 tract and the easterly line of said Rhodes tract, a total distance of 890.11 feet, to a point for corner, said point being the northwest corner of said Instrument Number 20160055916 tract and the northeast corner of said Rhodes tract, said point also being in a call centerline of Wheatland Road;

THENCE South 58 degrees 38 minutes 34 seconds West, following the centerline of said Wheatland Road, a total distance of 287.40 feet to a point for corner;

THENCE South 58 degrees 50 minutes 23 seconds West, continuing along the centerline of said Wheatland Road, a total distance of 834.11 feet to a point for corner, said point being the northwest corner of said Rhodes tract;

THENCE South 37 degrees 05 minutes 08 seconds East, following the westerly line of said Rhodes tract and the easterly line of said Instrument Number 201400314231, a total distance of 1206.46 feet to a point for corner, said point being the southwest corner of said Rhodes tract;

THENCE North 52 degrees 54 minutes 29 seconds East, following the southerly line of said Rhodes tract, a total distance of 492.84 feet to a point for corner;

THENCE North 07 degrees 22 minutes 14 seconds West, following the southeasterly line of said Rhodes tract, a total distance of 235.91 feet to a point for corner;

THENCE North 77 degrees 25 minutes 15 seconds East, continuing along said southeasterly line of said Rhodes tract, a total distance of 323.99 feet to a point for corner, said point being in said westerly right-of-way line of Lancaster Road, said point also being the beginning of a non-tangent curve to the left;

THENCE in a southeasterly direction along said curve to the left and following said westerly right-of-way line, having a central angle of 05 degrees 25 minutes 56 seconds, a radius of 8654.40 feet, and a chord bearing and distance of South 11 degrees 25 minutes 46 seconds East, 820.22 feet, a total arc length of 820.53 feet, to a point for corner, said point being in the southerly line of said Instrument Number 201600055916 tract, said point also being the most northeasterly corner of a tract of land conveyed to DFW Oil Inc. as recorded in Instrument #2008038074, Deed Records, Dallas County, Texas;

THENCE South 75 degrees 57 minutes 36 seconds West, along the southerly line of said Instrument Number 201600055916 tract and the northerly line of said DFW Oil Inc. tract, a total distance of 225.00 feet to a point for corner;

THENCE South 15 degrees 36 minutes 40 seconds East, continuing along the southerly line of Instrument Number 201600055916 tract and the northerly line of said DFW Oil Inc. tract, a total distance of 385.17 feet, to a point for corner, said point being the northeast corner of a tract of land conveyed to All Saints Inc., as recorded Instrument Number 200900059010, Deed Records, Dallas County, Texas, said point being in the southerly line of said Instrument Number 201600055916 tract;

THENCE South 69 degrees 59 minutes 35 seconds West, along the southerly line of said Instrument Number 201600055916 tract and the northerly line of said All Saints Inc. tract, a total distance of 295.42 feet, a point for corner, said point being in the southerly line of said Instrument #201600055916 tract and the northwesterly corner of said All Saints Inc. tract;

THENCE South 20 degrees 24 minutes 03 seconds East, along the southerly line of said Instrument Number 201600055916 tract and the westerly line of said All Saints Inc. tract a total distance of 231.52 feet to a point for corner, said point being the southwest corner of said All Saints Inc. tract and the southerly line of said Instrument Number 201600055916 tract and the northerly line of said DFW Oil Inc. tract;

THENCE South 69 degrees 51 minutes 21 seconds West, along the southerly line of said Instrument Number 201600055916 tract and the northerly line of said DFW Oil Inc. tract a total distance of 221.74 feet to a point for corner, said point being the southerly line of said Instrument Number 201600055916 tract and the northwest corner of said DFW Oil Inc. tract;

THENCE South 20 degrees 08 minutes 39 seconds East, along the southerly line of said Instrument Number 201600055916 tract and the west line of said DFW Oil Inc. tract, a total distance of 250.00 feet to a point for corner, said point being the most southerly corner of said Instrument Number 201600055916 tract and being the southwest corner of said DFW Oil Inc. tract, said point also being in the northerly line of Interstate Highway 20 (LBJ Freeway a variable width right-of-way);

THENCE South 69 degrees 51 minutes 21 seconds West, along the southerly line of said Instrument Number 201600055916 tract and the northerly right-of-way line of said Interstate Highway 20, a total distance of 315.04 feet;

THENCE South 71 degrees 39 minutes 35 seconds West, continuing along the southerly line of said Instrument Number 201600055916 tract with the northerly line of said Interstate Highway 20, a total distance of 1338.56 feet;

THENCE South 55 degrees 12 minutes 20 seconds West, continuing along the southerly line of said Instrument Number 201600055916 tract with the northerly line of said Interstate Highway 20, a total distance of 39.62 feet said point being the southwest corner of said Instrument #201600055916 tract and the southeast corner of a tract of land conveyed to Susan Wright Key, by deed recorded in Volume 88021, Page 1852, Deed Records, Dallas County, Texas;

THENCE North 30 degrees 14 minutes 08 seconds West, along the westerly line of said Instrument Number 201600055916 tract and along the easterly line of said Susan Wright Key tract and the easterly line of a tract of land conveyed to Wycliff Bible Translators, Inc. as recorded in Volume 74198, Page 104, Deed Records, Dallas County, Texas and the easterly line of a tract of land conveyed to George P. Shropulos Family Limited Partnership as recorded in Volume 94043, Page 2846, Deed Records, Dallas County, Texas, a total distance of 2132.27 feet to a point for corner, said point being in the south right-of-way line of Wheatland Road (a variable width right-of-way), said point being the northwest corner of said Instrument Number 201600055916 tract;

THENCE with the westerly line of said Instrument #201500029116 tract and the easterly line of said RKCJ LLC tract the following courses and distances:

South 58 degrees 50 minutes 23 seconds West, a total distance of 22.99 feet to a point for corner;

North 30 degrees 26 minutes 17 seconds West, a total distance of 472.69 feet to a point for corner;

North 62 degrees 56 minutes 00 seconds East, a total distance of 17.96 feet to a point for corner;

North 31 degrees 11 minutes 24 seconds West, a total distance of 1205.27 feet to a point for corner, said point being approximately the center line of a creek;

THENCE along said approximately centerline of creek the following courses and distances;

North 18 degrees 56 minutes 06 seconds East, a total distance of 154.49 feet to a point for corner;

North 53 degrees 46 minutes 06 seconds East, a total distance of 203.00 feet to a point for corner;

South 68 degrees 22 minutes 54 seconds East, a total distance of 133.72 feet to a point for corner;

North 86 degrees 02 minutes 06 seconds East, a total distance of 111.50 feet to a point for corner;

North 10 degrees 48 minutes 06 seconds East, a total distance of 107.15 feet to a point for corner;

North 35 degrees 39 minutes 06 seconds East, a total distance of 141.00 feet to a point for corner;

North 78 degrees 20 minutes 06 seconds East, a total distance of 97.05 feet to a point for corner;

North 28 degrees 27 minutes 54 seconds West, a total distance of 140.57 feet to a point for corner;

North 47 degrees 08 minutes 06 seconds East, a total distance of 150.88 feet to a point for corner;

North 31 degrees 12 minutes 06 seconds East, a total distance of 130.56 feet to a point for corner;

North 63 degrees 34 minutes 36 seconds East, a total distance of 134.95 feet to a point for corner;

North 87 degrees 41 minutes 36 seconds East, a total distance of 129.10 feet to a point for corner;

North 03 degrees 13 minutes 36 seconds East, a total distance of 132.20 feet to a point for corner;

North 34 degrees 51 minutes 36 seconds East, a total distance of 164.10 feet to a point for corner;

North 11 degrees 51 minutes 36 seconds East, a total distance of 124.70 feet to a point for corner;

THENCE North 23 degrees 47 minutes 24 seconds West, a total distance of 139.58 feet to a point for corner, said point being in the northerly line of said Instrument Number 201500029116 tract and the southerly line of a tract of land conveyed to the City of Dallas as recorded in Volume 95095, Page 5779, Deed Records, Dallas County, Texas;

THENCE North 54 degrees 24 minutes 43 seconds East, along the northerly line of said Instrument Number 201500029116 tract and along the southerly line of said City of Dallas tract a total distance of 537.89 feet to a point for corner;

THENCE North 32 degrees 43 minutes 59 seconds West, continuing along said common linea total distance of 1.62 feet;

THENCE North 58 degrees 51 minutes 51 seconds East, continuing along said common line and passing along the southerly line of a tract of land conveyed to 154 Lancaster Ltd., as recorded in Volume 98055, Page 0435, Deed Records, Dallas County, Texas, a total distance of 471.29 feet to a point for corner, said point being the northeasterly corner of said Instrument #201500029116 tract;

THENCE South 31 degrees 05 minutes 57 seconds East, departing the southerly line of said 154 Lancaster Ltd. tract along the easterly line of said Instrument Number 201500029116 tract passing along the westerly line of a tract of land conveyed to Camplanc Investments as recorded in Instrument Number 201100097436, Deed Records, Dallas County, Texas and passing along the westerly line of said Proton Properties LLC tract, a total distance of 634.03 feet to a point for corner, said point being the southwesterly corner of said Proton Properties LLC tract, and being a northerly corner of said Instrument Number 201500029116 tract;

THENCE along the northerly line of said Instrument Number 201500029116 tract and the southerly line of said Proton Properties LLC tract the following courses and distances:

North 58 degrees 57 minutes 36 seconds East, a total distance of 894.69 feet to a point for corner;

South 07 degrees 25 minutes 01 seconds East, a total distance of 277.11 feet to a point for corner;

North 82 degrees 34 minutes 59 seconds East, a total distance of 439.00 feet to the POINT OF BEGINNING and containing a total area of 12,245,246.54 square feet, or 281.112 acres of land, more or less.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) The general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.

(e) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 2244** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1001

Senator Taylor of Galveston submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1001** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

TAYLOR OF GALVESTON	PAUL
HINOJOSA	C. ANDERSON
NICHOLS	WORKMAN
HANCOCK	E. THOMPSON
PERRY	PEREZ
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to vehicle safety inspections, including vehicles exempt from those inspections.

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

SECTION 1. Subchapter A, Chapter 502, Transportation Code, is amended by adding Section 502.012 to read as follows:

Sec. 502.012. NOTICE REGARDING WHETHER CERTAIN TRAILERS ARE SUBJECT TO INSPECTION. The department shall include in each registration renewal notice for a vehicle that is a trailer, semitrailer, or pole trailer a statement regarding whether the vehicle is subject to inspection under Chapter 548.

SECTION 2. Section 548.005, Transportation Code, is amended to read as follows:

Sec. 548.005. INSPECTION ONLY BY CERTAIN [~~STATE CERTIFIED AND SUPERVISED~~] INSPECTION STATIONS [~~STATION~~]. A compulsory inspection under this chapter may be made only by an inspection station, except that the department may:

(1) permit inspection to be made by an inspector under terms and conditions the department prescribes;

(2) authorize the acceptance in this state of a certificate of inspection and approval issued in another state having a similar inspection law; [~~and~~]

(3) authorize the acceptance in this state of a certificate of inspection and approval issued in compliance with 49 C.F.R. Part 396 to a motor bus, as defined by Section 502.001, that is registered in this state but is not domiciled in this state; and

(4) authorize the acceptance in this state of a certificate of inspection and approval issued:

(A) by an inspector qualified under 49 C.F.R. Part 396 acting as an employee or authorized agent of the owner of a commercial fleet, as defined in Section 502.001; and

(B) to a motor vehicle or trailer that is:

(i) part of the fleet; and

(ii) registered or in the process of being registered in this state.

SECTION 3. Section 548.052, Transportation Code, is amended to read as follows:

Sec. 548.052. VEHICLES NOT SUBJECT TO INSPECTION. This chapter does not apply to:

(1) a trailer, semitrailer, pole trailer, or mobile home moving under or bearing a current factory-delivery license plate or current in-transit license plate;

(2) a vehicle moving under or bearing a paper dealer in-transit tag, machinery license, disaster license, parade license, prorate tab, one-trip permit, vehicle temporary transit permit, antique license, custom vehicle license, street rod license, temporary 24-hour permit, or permit license;

(3) a trailer, semitrailer, pole trailer, or mobile home having an actual gross weight or registered gross weight of 7,500 [~~4,500~~] pounds or less;

(4) farm machinery, road-building equipment, a farm trailer, or a vehicle required to display a slow-moving-vehicle emblem under Section 547.703;

(5) a former military vehicle, as defined by Section 504.502;

(6) a vehicle qualified for a tax exemption under Section 152.092, Tax Code; or

(7) a vehicle for which a certificate of title has been issued but that is not required to be registered.

SECTION 4. Subchapter H, Chapter 548, Transportation Code, is amended by adding Section 548.510 to read as follows:

Sec. 548.510. FEE FOR CERTAIN VEHICLES NOT SUBJECT TO INSPECTION; COLLECTION OF FEE DURING REGISTRATION. (a) A vehicle described by Section 548.052(3) that has an actual gross weight or registered gross weight of more than 4,500 pounds is subject to a fee in the amount of $7.50.

(b) The Texas Department of Motor Vehicles or a county assessor-collector that registers a vehicle described by Subsection (a) shall collect at the time of registration of the vehicle the fee prescribed by Subsection (a). The Texas Department of Motor Vehicles or the county assessor-collector, as applicable, shall remit the fee to the comptroller. Each fee remitted to the comptroller under this section shall be deposited as follows:

(1) $3.50 to the credit of the Texas mobility fund;

(2) $2 to the credit of the general revenue fund; and

(3) $2 to the credit of the clean air account.

(c) The fee collected under Subsection (a) is not a motor vehicle registration fee and the revenue collected from the fee is not required to be used for a purpose specified by Section 7-a, Article VIII, Texas Constitution.

SECTION 5. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1001** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1987

Senator Lucio submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1987** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

LUCIO	MURPHY
BETTENCOURT	BELL
CAMPBELL	CORTEZ

CREIGHTON	COSPER
GARCIA	SCHUBERT
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the notice and procedural requirements for bills proposing the creation of or annexation of land to certain special purpose districts.

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

SECTION 1. The heading to Section 313.006, Government Code, is amended to read as follows:

Sec. 313.006. NOTICE FOR LAWS ESTABLISHING OR ADDING TERRITORY TO MUNICIPAL MANAGEMENT DISTRICTS.

SECTION 2. Section 313.006, Government Code, is amended by amending Subsections (a), (b), and (d) and adding Subsections (e) and (f) to read as follows:

(a) In addition to the other requirements of this chapter, a person, other than a member of the legislature, who intends to apply for the passage of a law establishing or adding territory to a special district that incorporates a power from Chapter 375, Local Government Code, must provide notice as provided by this section.

(b) The person shall notify by mail each person who owns real property [~~in the~~] proposed to be included in a new district or to be added to an existing district, according to the most recent certified tax appraisal roll for the county in which the real property is owned. The notice, properly addressed with postage paid, must be deposited with the United States Postal Service not later than the 30th day before the date on which the intended law is introduced in the legislature.

(d) The person is not required to mail notice under Subsection (b) or (e) to a person who owns real property in the proposed district or in the area proposed to be added to a district if the property cannot be subject to an assessment by the district.

(e) After the introduction of a law in the legislature establishing or adding territory to a special district that incorporates a power from Chapter 375, Local Government Code, the person shall mail to each person who owns real property proposed to be included in a new district or to be added to an existing district a notice that the legislation has been introduced, including the applicable bill number. The notice, properly addressed with postage paid, must be deposited with the United States Postal Service not later than the 30th day after the date on which the intended law is introduced in the legislature. If the person has not mailed the notice required under this subsection on the 31st day after the date on which the intended law is introduced in the legislature, the person may cure the deficiency by immediately mailing the notice, but the person shall in no event mail the notice later than the date on which the intended law is reported out of committee in the chamber other than the chamber in which the intended law was introduced. If similar bills are filed in both chambers of the legislature, a person is only required to provide a single notice under this subsection not later than the 30th day after the date the first of the bills is filed.

(f) A landowner may waive any notice required under this section at any time.

SECTION 3. Section 375.022(b), Local Government Code, is amended to read as follows:

(b) The petition must be signed by[~~:~~

[~~(1)~~] the owners of a majority of the assessed value of the real property in the proposed district, according to the most recent certified county property tax rolls[~~; or~~

[~~(2) 50 persons who own real property in the proposed district if, according to the most recent certified county property tax rolls, more than 50 persons own real property in the proposed district~~].

SECTION 4. Section 49.302(b), Water Code, is amended to read as follows:

(b) A petition requesting the annexation of a defined area signed by a majority in value of the owners of land in the defined area, as shown by the tax rolls of the central appraisal district of the county or counties in which such area is located, [~~or signed by 50 landowners if the number of landowners is more than 50,~~] shall describe the land by metes and bounds or by lot and block number if there is a recorded plat of the area and shall be filed with the secretary of the board.

SECTION 5. Section 54.014, Water Code, is amended to read as follows:

Sec. 54.014. PETITION. When it is proposed to create a district, a petition requesting creation shall be filed with the commission. The petition shall be signed by a majority in value of the holders of title of the land within the proposed district, as indicated by the tax rolls of the central appraisal district. [~~If there are more than 50 persons holding title to the land in the proposed district, as indicated by the tax rolls of the central appraisal district, the petition is sufficient if it is signed by 50 holders of title to the land.~~]

SECTION 6. Section 54.016(a), Water Code, is amended to read as follows:

(a) No land within the corporate limits of a city or within the extraterritorial jurisdiction of a city, shall be included in a district unless the city grants its written consent, by resolution or ordinance, to the inclusion of the land within the district in accordance with Section 42.042, Local Government Code, and this section. The request to a city for its written consent to the creation of a district, shall be signed by a majority in value of the holders of title of the land within the proposed district as indicated by the county tax rolls [~~or, if there are more than 50 persons holding title to the land in the proposed district as indicated by the county tax rolls, the request to the city will be sufficient if it is signed by 50 holders of title to the land in the district~~]. A petition for the written consent of a city to the inclusion of land within a district shall describe the boundaries of the land to be included in the district by metes and bounds or by lot and block number, if there is a recorded map or plat and survey of the area, and state the general nature of the work proposed to be done, the necessity for the work, and the cost of the project as then estimated by those filing the petition. If, at the time a petition is filed with a city for creation of a district, the district proposes to connect to a city's water or sewer system or proposes to contract with a regional water and wastewater provider which has been designated as such by the commission as of the date such petition is filed, to which the city has made a capital contribution for the water and wastewater facilities serving the area, the proposed district shall be designated as a "city service district." If such proposed district does not meet the criteria for a city service district at the time the petition seeking creation is filed, such district shall be designated as a "noncity service district." The city's consent shall not place any restrictions or conditions on the creation of a noncity service district as defined by Chapter 54 of the Texas Water Code other than those expressly provided in

Subsection (e) of this section and shall specifically not limit the amounts of the district's bonds. A city may not require annexation as a consent to creation of any district. A city shall not refuse to approve a district bond issue for any reason except that the district is not in compliance with valid consent requirements applicable to the district. If a city grants its written consent without the concurrence of the applicant to the creation of a noncity service district containing conditions or restrictions that the petitioning land owner or owners reasonably believe exceed the city's powers, such land owner or owners may petition the commission to create the district and to modify the conditions and restrictions of the city's consent. The commission may declare any provision of the consent to be null and void.

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1987** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 29

Senator Huffman submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 29** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HUFFMAN	S. THOMPSON
GARCIA	ARÉVALO
KOLKHORST	FRULLO
PERRY	MEYER
SCHWERTNER	
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 29** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 801

Senator Seliger submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 801** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

SELIGER	K. KING
BETTENCOURT	ASHBY
CAMPBELL	VANDEAVER
HUGHES	KACAL
URESTI	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the instructional material list and supplemental instructional materials adopted by the State Board of Education.

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

SECTION 1. Section 31.023(b), Education Code, is amended to read as follows:

(b) Each instructional material on the list must be:

(1) free from factual errors;

(2) suitable for the subject and grade level for which the instructional material was submitted; and

(3) reviewed by academic experts in the subject and grade level for which the instructional material was submitted.

SECTION 2. Section 31.035(a), Education Code, is amended to read as follows:

(a) Notwithstanding any other provision of this subchapter, the State Board of Education may adopt supplemental instructional materials that are not on the list adopted under Section 31.023. The State Board of Education may adopt supplemental instructional material under this section only if the instructional material:

(1) contains material covering one or more primary focal points or primary topics of a subject in the required curriculum under Section 28.002, as determined by the State Board of Education;

(2) is not designed to serve as the sole instructional material for a full course;

(3) meets applicable physical specifications adopted by the State Board of Education; [~~and~~]

(4) is free from factual errors;

(5) is suitable for the subject and grade level; and

(6) is reviewed by academic experts in the subject and grade level.

SECTION 3. Sections 31.023(b) and 31.035(a), Education Code, as amended by this Act, apply only to an instructional material list or supplemental instructional material adopted on or after the effective date of this Act. An instructional material list or supplemental instructional material adopted before the effective date of this Act is governed by the law in effect when the instructional material list or supplemental instructional material was adopted, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 801** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 1886

Senator Huffman submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1886** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

HUFFMAN	MILLER
CAMPBELL	COSPER
RODRÍGUEZ	HUBERTY
TAYLOR OF GALVESTON	BERNAL
ZAFFIRINI	D. BONNEN
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1886** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 1036

Senator Whitmire submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1036** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

WHITMIRE	S. THOMPSON
CAMPBELL	COLLIER
GARCIA	S. DAVIS
NELSON	SHEFFIELD
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1036** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2912

Senator Estes submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2912** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

ESTES	P. KING
GARCIA	LAMBERT
NELSON	MORRISON
	DEAN
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2912** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1148

Senator Buckingham submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1148** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BUCKINGHAM	G. BONNEN
TAYLOR OF COLLIN	PRICE
HINOJOSA	OLIVERSON
SCHWERTNER	ZERWAS
CAMPBELL	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to maintenance of certification by a physician or an applicant for a license to practice medicine in this state.

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

SECTION 1. Subtitle F, Title 8, Insurance Code, is amended by adding Chapter 1461 to read as follows:

CHAPTER 1461. DISCRIMINATION AGAINST PHYSICIAN BASED ON MAINTENANCE OF CERTIFICATION

Sec. 1461.001. DEFINITIONS. In this chapter:

(1) "Enrollee" means an individual who is eligible to receive health care services under a managed care plan.

(2) "Maintenance of certification" has the meaning assigned by Section 151.002, Occupations Code.

(3) "Managed care plan" means a health benefit plan under which health care services are provided to enrollees through contracts with physicians and that requires enrollees to use participating physicians or that provides a different level of coverage for enrollees who use participating physicians. The term includes a health benefit plan issued by:

(A) a health maintenance organization;

(B) a preferred provider benefit plan issuer; or

(C) any other entity that issues a health benefit plan, including an insurance company.

(4) "Participating physician" means a physician who has directly or indirectly contracted with a health benefit plan issuer to provide services to enrollees.

(5) "Physician" means an individual licensed to practice medicine in this state.

Sec. 1461.002. APPLICABILITY. (a) This chapter applies to a physician regardless of whether the physician is a participating physician.

(b) This chapter applies to a person with whom a managed care plan issuer contracts to:

(1) process or pay claims;

(2) obtain the services of physicians to provide health care services to enrollees; or

(3) issue verifications or preauthorizations.

Sec. 1461.003. DISCRIMINATION BASED ON MAINTENANCE OF CERTIFICATION. (a) Except as provided by Subsection (b), a managed care plan issuer may not differentiate between physicians based on a physician's maintenance of certification in regard to:

(1) paying the physician;

(2) reimbursing the physician; or

(3) directly or indirectly contracting with the physician to provide services to enrollees.

(b) A managed care plan issuer may differentiate between physicians based on a physician's maintenance of certification only if the designation under law or certification or accreditation by a national certifying or accrediting organization of an entity described by Section 151.0515(a), Occupations Code, is contingent on the entity requiring a specific maintenance of certification by physicians seeking staff privileges or credentialing at the entity.

SECTION 2. Section 151.002(a), Occupations Code, is amended by adding Subdivision (6-b) to read as follows:

(6-b) "Maintenance of certification" means the satisfactory completion of periodic recertification requirements that are required for a physician to maintain certification after initial certification from:

(A) a medical specialty member board of the American Board of Medical Specialties;

(B) a medical specialty member board of the American Osteopathic Association Bureau of Osteopathic Specialists;

(C) the American Board of Oral and Maxillofacial Surgery; or

(D) any other certifying board that is recognized by the Texas Medical Board.

SECTION 3. Subchapter B, Chapter 151, Occupations Code, is amended by adding Section 151.0515 to read as follows:

Sec. 151.0515. DISCRIMINATION BASED ON MAINTENANCE OF CERTIFICATION. (a) Except as otherwise provided by this section, the following entities may not differentiate between physicians based on a physician's maintenance of certification:

(1) a health facility that is licensed under Subtitle B, Title 4, Health and Safety Code, or a mental hospital that is licensed under Chapter 577, Health and Safety Code, if the facility or hospital has an organized medical staff or a process for credentialing physicians;

(2) a hospital that is owned or operated by this state;

(3) an institution or program that is owned, operated, or licensed by this state, including an institution or program that directly or indirectly receives state financial assistance, if the institution or program:

(A) has an organized medical staff or a process for credentialing physicians on its staff; and

(B) is not a medical school, as defined by Section 61.501, Education Code, or a comprehensive cancer center, as designated by the National Cancer Institute; or

(4) an institution or program that is owned, operated, or licensed by a political subdivision of this state, if the institution or program has an organized medical staff or a process for credentialing physicians on its staff.

(b) An entity described by Subsection (a) may differentiate between physicians based on a physician's maintenance of certification if:

(1) the entity's designation under law or certification or accreditation by a national certifying or accrediting organization is contingent on the entity requiring a specific maintenance of certification by physicians seeking staff privileges or credentialing at the entity; and

(2) the differentiation is limited to those physicians whose maintenance of certification is required for the entity's designation, certification, or accreditation as described by Subdivision (1).

(c) An entity described by Subsection (a) may differentiate between physicians based on a physician's maintenance of certification if the voting physician members of the entity's organized medical staff vote to authorize the differentiation.

(d) An authorization described by Subsection (c) may:

(1) be made only by the voting physician members of the entity's organized medical staff and not by the entity's governing body, administration, or any other person;

(2) subject to Subsection (e), establish terms applicable to the entity's differentiation, including:

(A) appropriate grandfathering provisions; and

(B) limiting the differentiation to certain medical specialties; and

(3) be rescinded at any time by a vote of the voting physician members of the entity's organized medical staff.

(e) Terms established under Subsection (d)(2) may not conflict with a maintenance of certification requirement applicable to the entity's designation under law or certification or accreditation by a national certifying or accrediting organization.

SECTION 4. Section 155.003, Occupations Code, is amended by amending Subsection (d) and adding Subsection (d-1) to read as follows:

(d) Except as provided by Subsection (d-1), in [~~In~~] addition to the other requirements prescribed by this subtitle, the board may require an applicant to comply with other requirements that the board considers appropriate.

(d-1) The board may not require maintenance of certification by an applicant for the applicant to be eligible for a license under this chapter.

SECTION 5. Section 156.001, Occupations Code, is amended by adding Subsection (f) to read as follows:

(f) The board may not adopt a rule requiring maintenance of certification by a license holder for the license holder to be eligible for an initial or renewal registration permit.

SECTION 6. This Act takes effect January 1, 2018.

The Conference Committee Report on **SB 1148** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2377

Senator Perry submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2377** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

PERRY	LARSON
ESTES	T. KING
HALL	LUCIO III
HINOJOSA	WORKMAN
KOLKHORST	
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2377** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1839

Senator Hughes submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1839** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HUGHES	KOOP
BETTENCOURT	BERNAL
CAMPBELL	BOHAC

LUCIO	MEYER
TAYLOR OF GALVESTON	VANDEAVER
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the preparation, certification, and classification of and professional development for public school educators.

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

SECTION 1. Section 21.001, Education Code, is amended to read as follows:

Sec. 21.001. DEFINITIONS [~~DEFINITION~~]. In this chapter:

(1) "Commissioner" [~~, "commissioner"~~] includes a person designated by the commissioner.

(2) "Digital learning" means any type of learning that is facilitated by technology or instructional practice that makes effective use of technology.

(3) "Digital literacy" means having the knowledge and ability to use a range of technology tools for varied purposes. The term includes the capacity to use, understand, and evaluate technology for use in education settings.

SECTION 2. Section 21.043, Education Code, is amended to read as follows:

Sec. 21.043. ACCESS TO PEIMS DATA. (a) The agency shall provide the board with access to data obtained under the Public Education Information Management System (PEIMS).

(b) The agency shall provide educator preparation programs with data based on information reported through the Public Education Information Management System (PEIMS) that enables an educator preparation program to:

(1) assess the impact of the program; and

(2) revise the program as needed to improve the design and effectiveness of the program.

(c) The agency in coordination with the board shall solicit input from educator preparation programs to determine the data to be provided to educator preparation programs.

SECTION 3. Section 21.044, Education Code, is amended by adding Subsections (c-2) and (f-1) to read as follows:

(c-2) Any minimum academic qualifications for a certificate specified under Subsection (a) that require a person to possess a bachelor's degree must also require that the person receive, as part of the training required to obtain that certificate, instruction in digital learning, including a digital literacy evaluation followed by a prescribed digital learning curriculum. The instruction required must:

(1) be aligned with the International Society for Technology in Education's standards for teachers;

(2) provide effective, evidence-based strategies to determine a person's degree of digital literacy; and

(3) include resources to address any deficiencies identified by the digital literacy evaluation.

(f-1) Board rules addressing ongoing educator preparation program support for a candidate seeking certification in a certification class other than classroom teacher may not require that an educator preparation program conduct one or more formal

observations of the candidate on the candidate's site in a face-to-face setting. The rules must permit each required formal observation to occur on the candidate's site or through use of electronic transmission or other video-based or technology-based method.

SECTION 4. Section 21.045, Education Code, is amended by adding Subsection (d) to read as follows:

(d) To assist an educator preparation program in improving the design and effectiveness of the program in preparing educators for the classroom, the agency shall provide to each program data that is compiled and analyzed by the agency based on information reported through the Public Education Information Management System (PEIMS) relating to the program.

SECTION 5. Subchapter B, Chapter 21, Education Code, is amended by adding Section 21.0489 to read as follows:

Sec. 21.0489. EARLY CHILDHOOD CERTIFICATION. (a) To ensure that there are teachers with special training in early childhood education focusing on prekindergarten through grade three, the board shall establish an early childhood certificate.

(b) A person is not required to hold a certificate established under this section to be employed by a school district to provide instruction in prekindergarten through grade three.

(c) To be eligible for a certificate established under this section, a person must:

(1) either:

(A) satisfactorily complete the course work for that certificate in an educator preparation program, including a knowledge-based and skills-based course of instruction on early childhood education that includes:

(i) teaching methods for:

(a) using small group instructional formats that focus on building social, emotional, and academic skills;

(b) navigating multiple content areas; and

(c) managing a classroom environment in which small groups of students are working on different tasks; and

(ii) strategies for teaching fundamental academic skills, including reading, writing, and numeracy; or

(B) hold an early childhood through grade six certificate issued under this subchapter and satisfactorily complete a course of instruction described by Paragraph (A);

(2) perform satisfactorily on an early childhood certificate examination prescribed by the board; and

(3) satisfy any other requirements prescribed by the board.

(d) The criteria for the course of instruction described by Subsection (c)(1)(A) shall be developed by the board in consultation with faculty members who provide instruction at institutions of higher education in educator preparation programs for an early childhood through grade six certificate.

SECTION 6. Section 21.051, Education Code, is amended by amending Subsection (b) and adding Subsection (b-1) to read as follows:

(b) Before a school district may employ a candidate for certification as a teacher of record and, except as provided by Subsection (b-1), after the candidate's admission to an educator preparation program, the candidate must complete at least 15 hours of field-based experience in which the candidate is actively engaged in instructional or educational activities under supervision at:

(1) a public school campus accredited or approved for the purpose by the agency; or

(2) a private school recognized or approved for the purpose by the agency.

(b-1) A candidate may satisfy up to 15 hours of the field-based experience requirement under Subsection (b) by serving as a long-term substitute teacher as prescribed by board rule. Experience under this subsection may occur after the candidate's admission to an educator preparation program or during the two years before the date the candidate is admitted to the program. The candidate's experience in instructional or educational activities must be documented by the educator preparation program and must be obtained at:

(1) a public school campus accredited or approved for the purpose by the agency; or

(2) a private school recognized or approved for the purpose by the agency.

SECTION 7. Section 21.052, Education Code, is amended by adding Subsection (a-1) and amending Subsection (e) to read as follows:

(a-1) The commissioner may adopt rules establishing exceptions to the examination requirements prescribed by Subsection (a)(3) for an educator from outside the state to obtain a certificate in this state.

(e) An educator who has submitted all documents required by the board for certification and who receives a temporary certificate as provided by Subsection (c) [~~(a)~~] must perform satisfactorily on the examination prescribed under Section 21.048 not later than the first anniversary of the date the board completes the review of the educator's credentials and informs the educator of the examination or examinations under Section 21.048 on which the educator must perform successfully to receive a standard certificate.

SECTION 8. Sections 21.054(d) and (e), Education Code, are amended to read as follows:

(d) Continuing education requirements for a classroom teacher must provide that not more than 25 percent of the training required every five years include instruction regarding:

(1) collecting and analyzing information that will improve effectiveness in the classroom;

(2) recognizing early warning indicators that a student may be at risk of dropping out of school;

(3) digital learning, digital teaching, and integrating technology into classroom instruction; and

(4) educating diverse student populations, including:

(A) students with disabilities, including mental health disorders;

(B) students who are educationally disadvantaged;

(C) students of limited English proficiency; and

(D) students at risk of dropping out of school.

(e) Continuing education requirements for a principal must provide that not more than 25 percent of the training required every five years include instruction regarding:

(1) effective and efficient management, including:

(A) collecting and analyzing information;

(B) making decisions and managing time; and

(C) supervising student discipline and managing behavior;

(2) recognizing early warning indicators that a student may be at risk of dropping out of school;

(3) digital learning, digital teaching, and integrating technology into campus curriculum and instruction; and

(4) educating diverse student populations, including:

(A) students with disabilities, including mental health disorders;

(B) students who are educationally disadvantaged;

(C) students of limited English proficiency; and

(D) students at risk of dropping out of school.

SECTION 9. Subchapter B, Chapter 21, Education Code, is amended by adding Section 21.0543 to read as follows:

Sec. 21.0543. CONTINUING EDUCATION CREDIT FOR INSTRUCTION RELATED TO DIGITAL TECHNOLOGY. The board shall propose rules allowing an educator to receive credit toward the educator's continuing education requirements for completion of education courses that:

(1) use technology to increase the educator's digital literacy; and

(2) assist the educator in the use of digital technology in learning activities that improve teaching, assessment, and instructional practices.

SECTION 10. Section 21.451, Education Code, is amended by amending Subsection (d) and adding Subsection (d-3) to read as follows:

(d) The staff development:

(1) may include training in:

(A) technology;

(B) conflict resolution;

(C) discipline strategies, including classroom management, district discipline policies, and the student code of conduct adopted under Section 37.001 and Chapter 37; [~~and~~]

(D) preventing, identifying, responding to, and reporting incidents of bullying; and

(E) digital learning;

(2) subject to Subsection (e) and to Section 21.3541 and rules adopted under that section, must include training that is evidence-based [~~based on scientifically based research~~], as defined by Section 8101, Every Student Succeeds Act [~~9101, No Child Left Behind Act of 2001~~] (20 U.S.C. Section 7801), that:

(A) relates to instruction of students with disabilities; and

(B) is designed for educators who work primarily outside the area of special education; and

(3) must include suicide prevention training that must be provided:

(A) on an annual basis, as part of a new employee orientation, to all new school district and open-enrollment charter school educators; and

(B) to existing school district and open-enrollment charter school educators on a schedule adopted by the agency by rule.

(d-3) The digital learning training provided by Subsection (d)(1)(E) must:

(1) discuss basic technology proficiency expectations and methods to increase an educator's digital literacy; and

(2) assist an educator in the use of digital technology in learning activities that improve teaching, assessment, and instructional practices.

SECTION 11. Section 30A.112(b), Education Code, is amended to read as follows:

(b) The state virtual school network may provide or authorize providers of electronic professional development courses to provide professional development for:

(1) teachers who are teaching subjects or grade levels for which the teachers are not certified; or

(2) [~~teachers who must become highly qualified under Section 1119, No Child Left Behind Act of 2001 (20 U.S.C. Section 6319); or~~

[~~(3)~~] teachers who must become qualified under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

SECTION 12. The following provisions of the Education Code are repealed:

(1) Section 21.005;

(2) Section 21.052(g); and

(3) Section 21.057(e).

SECTION 13. The State Board for Educator Certification shall propose rules:

(1) establishing requirements and prescribing an examination for an early childhood certificate examination as required by Section 21.0489, Education Code, as added by this Act; and

(2) establishing standards to govern the approval and renewal of approval of educator preparation programs for early childhood certification.

SECTION 14. The commissioner of education is required to implement Sections 21.043(b) and (c) and 21.045(d), Education Code, as added by this Act, only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the commissioner of education may, but is not required to, implement those sections using other appropriations available for the purpose.

SECTION 15. This Act applies beginning with the 2017-2018 school year.

SECTION 16. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1839** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 2014

Senator Creighton submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 2014** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

CREIGHTON	SCHUBERT
MENÉNDEZ	MURPHY
LUCIO	BERNAL
NICHOLS	BELL
	COSPER
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the administration of certain water districts.

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

SECTION 1. Section 49.181, Water Code, is amended by amending Subsection (f) and adding Subsections (i), (j), (k), and (l) to read as follows:

(f) The commission shall determine whether the project to be financed by the bonds is feasible and issue an order either approving or disapproving, as appropriate, the issuance of the bonds. If the commission determines that an application for the approval of bonds complies with the requirements for financial feasibility and the district submitting the application is not required to comply with rules regarding project completion, the commission may not disapprove the issuance of bonds for all or a portion of a project or require that the funding for all or a portion of a project be escrowed solely on the basis that the construction of the project is not complete at the time of the commission's determination. The commission shall retain a copy of the order and send a copy of the order to the district.

(i) An application for the approval of bonds under this section may include financing for payment of creation and organization expenses. Expenses are creation and organization expenses if the expenses were incurred through the date of the canvassing of the confirmation election. A commission rule regarding continuous construction periods or the length of time for the payment of expenses during construction periods does not apply to expenses described by this section.

(j) The commission shall approve an application to issue bonds to finance the costs of spreading and compacting fill to remove property from the 100-year floodplain made by a levee improvement district if the application otherwise meets all applicable requirements for bond applications.

(k) The commission shall approve an application to issue bonds to finance the costs of spreading and compacting fill to provide drainage that is made by a municipal utility district or a district with the powers of a municipal utility district if the costs are less than the cost of constructing or improving drainage facilities.

(l) If a district is approved for the issuance of bonds by the commission to use a certain return flow of wastewater, the approval applies to subsequent bond authorizations unless the district seeks approval to use a different return flow of wastewater.

SECTION 2. Section 49.273(i), Water Code, is amended to read as follows:

(i) If changes in plans, [~~or~~] specifications, or scope of work are necessary or beneficial to the district, as determined by the board, after the performance of the contract is begun, or if it is necessary or beneficial to the district, as determined by the board, to decrease or increase the quantity of the work to be performed or of the materials, equipment, or supplies to be furnished, the board may approve change orders making the changes. The board may grant authority to an official or employee responsible for purchasing or for administering a contract to approve a change order that involves an increase or decrease of $50,000 or less. The aggregate of the change orders that [~~may not~~] increase the original contract price by more than 25 percent[~~. Additional change orders~~] may be issued only as a result of unanticipated conditions encountered during construction, repair, or renovation or changes in regulatory criteria or to facilitate project coordination with other political entities. A change order is not subject to the requirements of Subsection (d) or (e).

SECTION 3. Section 49.302(b), Water Code, is amended to read as follows:

(b) A petition requesting the annexation of a defined area signed by a majority in value of the owners of land in the defined area, as shown by the tax rolls of the central appraisal district of the county or counties in which such area is located, [~~or signed by 50 landowners if the number of landowners is more than 50,~~] shall describe the land by metes and bounds or by lot and block number if there is a recorded plat of the area and shall be filed with the secretary of the board.

SECTION 4. Section 54.014, Water Code, is amended to read as follows:

Sec. 54.014. PETITION. When it is proposed to create a district, a petition requesting creation shall be filed with the commission. The petition shall be signed by a majority in value of the holders of title of the land within the proposed district, as indicated by the tax rolls of the central appraisal district. [~~If there are more than 50 persons holding title to the land in the proposed district, as indicated by the tax rolls of the central appraisal district, the petition is sufficient if it is signed by 50 holders of title to the land.~~]

SECTION 5. Sections 54.016(a), (b), and (f), Water Code, are amended to read as follows:

(a) No land within the corporate limits of a city or within the extraterritorial jurisdiction of a city, shall be included in a district unless the city grants its written consent, by resolution or ordinance, to the inclusion of the land within the district in

accordance with Section 42.042, Local Government Code, and this section. The request to a city for its written consent to the creation of a district, shall be signed by a majority in value of the holders of title of the land within the proposed district as indicated by the county tax rolls [~~or, if there are more than 50 persons holding title to the land in the proposed district as indicated by the county tax rolls, the request to the city will be sufficient if it is signed by 50 holders of title to the land in the district~~]. A petition for the written consent of a city to the inclusion of land within a district shall describe the boundaries of the land to be included in the district by metes and bounds or by lot and block number, if there is a recorded map or plat and survey of the area, and state the general nature of the work proposed to be done, the necessity for the work, and the cost of the project as then estimated by those filing the petition. If, at the time a petition is filed with a city for creation of a district, the district proposes to connect to a city's water or sewer system or proposes to contract with a regional water and wastewater provider which has been designated as such by the commission as of the date such petition is filed, to which the city has made a capital contribution for the water and wastewater facilities serving the area, the proposed district shall be designated as a "city service district." If such proposed district does not meet the criteria for a city service district at the time the petition seeking creation is filed, such district shall be designated as a "noncity service district." The city's consent shall not place any restrictions or conditions on the creation of a noncity service district as defined by this chapter [~~Chapter 54 of the Texas Water Code~~] other than those expressly provided in Subsection (e) of this section and shall specifically not limit the amounts of the district's bonds. A city may not require annexation as a consent to creation of any district. A city shall not refuse to approve a district bond issue for any reason except that the district is not in compliance with valid consent requirements applicable to the district. If a city grants its written consent without the concurrence of the applicant to the creation of a noncity service district containing conditions or restrictions that the petitioning land owner or owners reasonably believe exceed the city's powers, such land owner or owners may petition the commission to create the district and to modify the conditions and restrictions of the city's consent. The commission may declare any provision of the consent to be null and void. The commission may approve the creation of a district that includes any portion of the land covered by the city's consent to creation of the district. The legislature may create and may validate the creation of a district that includes any portion of the land covered by the city's consent to the creation of the district.

(b) If the governing body of a city fails or refuses to grant permission for the inclusion of land within its extraterritorial jurisdiction in a district, including a district created by a special act of the legislature, within 90 days after receipt of a written request, a majority of the electors in the area proposed to be included in the district or the owner or owners of 50 percent or more of the land to be included may petition the governing body of the city and request the city to make available to the land the water or sanitary sewer service contemplated to be provided by the district.

(f) A city may provide in its written consent for the inclusion of land in a district that is initially located wholly or partly outside the corporate limits of the city that a contract ("allocation agreement") between the district and the city be entered into prior to the first issue of bonds, notes, warrants, or other obligations of the district. The allocation agreement shall contain the following provisions:

(1) a method by which the district shall continue to exist following the annexation of all territory within the district by the city, if the district is [~~initially~~] located outside the corporate limits of the city at the time the creation of the district is approved by the district's voters;

(2) an allocation of the taxes or revenues of the district or the city which will assure that, following the date of the inclusion of all the district's territory within the corporate limits of the city, the total annual ad valorem taxes collected by the city and the district from taxable property within the district does not exceed an amount greater than the city's ad valorem tax upon such property;

(3) an allocation of governmental services to be provided by the city or the district following the date of the inclusion of all of the district's territory within the corporate limits of the city; and

(4) such other terms and conditions as may be deemed appropriate by the city.

SECTION 6. The change in law made to Section 54.016(f), Water Code, as amended by this Act, applies only to an agreement entered into on or after the effective date of this Act. An agreement entered into before the effective date of this Act is governed by the law in effect on the date the agreement was entered into, and the former law is continued in effect for that purpose.

SECTION 7. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 2014** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1784

Senator Taylor of Galveston submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1784** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

TAYLOR OF GALVESTON HUBERTY

BETTENCOURT	BERNAL
CAMPBELL	MEYER
TAYLOR OF COLLIN	KOOP
URESTI	BOHAC
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to open-source instructional material for public schools.

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

SECTION 1. Section 31.002(1-a), Education Code, is amended to read as follows:

(1-a) "Open-source instructional material" means teaching, learning, and research resources that reside in the public domain or have been released under an intellectual property license that allows for free use, reuse, modification, and sharing with others, including full courses, course materials, modules, textbooks, streaming videos, tests, software, and any other tools, materials, or techniques used to support access to knowledge. [~~electronic instructional material that is available for downloading from the Internet at no charge to a student and without requiring the purchase of an unlock code, membership, or other access or use charge, except for a charge to order an optional printed copy of all or part of the instructional material.~~] The term includes state-developed open-source instructional material purchased under Subchapter B-1.

SECTION 2. Section 31.071(c), Education Code, is amended to read as follows:

(c) Except as provided by Section 31.0711, a state-developed [~~State-developed~~] open-source instructional material must be irrevocably owned by [~~or licensed to~~] the state [~~for use in the applicable subject or grade level~~]. The state must have unlimited authority to modify, delete, combine, or add content to the instructional material after purchase.

SECTION 3. Subchapter B-1, Chapter 31, Education Code, is amended by adding Section 31.0711 to read as follows:

Sec. 31.0711. CONTENT NOT OWNED BY STATE. Instructional material purchased under this subchapter may include content not owned by the state and for which preexisting rights may exist if the content:

(1) is in the public domain;

(2) may be used under a limitation or exception to copyright law, including a limitation under Section 107, Copyright Act of 1976 (17 U.S.C. Section 107); or

(3) is licensed to the state under a license that:

(A) grants the state unlimited authority to modify, delete, combine, or add content;

(B) permits the free use and repurposing of the material by any person or entity; and

(C) is for a term of use acceptable to the commissioner to ensure a useful life of the material.

SECTION 4. Section 31.075, Education Code, is amended by amending Subsections (b) and (c) and adding Subsections (d), (e), (f), (g), and (h) to read as follows:

(b) To encourage the use of instructional material purchased by the state under this subchapter by school districts and open-enrollment charter schools, the [~~The~~] commissioner shall provide a license for the instructional material that allows for the free use, reuse, modification, or sharing of the material by any person or entity [~~to each public school in the state, including a school district, an open-enrollment charter school, and a state or local agency educating students in any grade from prekindergarten through high school, to use and reproduce state-developed open-source instructional material~~].

(c) The terms of a license provided by the commissioner under this section:

(1) shall require that a user who reproduces the instructional material in any manner:

(A) except as provided by Subdivision (2)(A), must keep all copyright notices for the material intact;

(B) except as provided by Subdivision (2)(A), must attribute the authorship of the material to the agency or another person specified by the commissioner;

(C) must indicate if the user has modified the material;

(D) may not assert or imply any connection with or sponsorship or endorsement by the agency or this state, unless authorized by the commissioner; and

(E) to the extent reasonably practicable, must provide in any product or derivative material a uniform resource identifier or hyperlink through which a person may obtain the material free of charge;

(2) must provide that:

(A) the commissioner may request that a user remove a copyright notice or attribution from the material and that a user must comply with the request to the extent reasonably practicable; and

(B) the rights granted under the license to a user are automatically terminated if the user fails to comply with the terms of the license; and

(3) may include any additional terms determined by the commissioner [~~The commissioner may provide a license to use state-developed open-source instructional material to an entity not listed in Subsection (b). In determining the cost of a license under this subsection, the commissioner shall seek, to the extent feasible, to recover the costs of developing, revising, and distributing state-developed open-source instructional materials~~].

(d) The commissioner may exempt a license under this section from including one or more of the requirements under Subsection (c)(1).

(e) The commissioner shall determine what is considered reasonably practicable for purposes of Subsections (c)(1)(E) and (c)(2)(A).

(f) The commissioner may:

(1) specify requirements to reinstate a user's rights under a license that has been terminated; and

(2) reinstate a user's rights on completion of those requirements.

(g) The commissioner may use a license commonly applied to an open education resource in implementing this section.

(h) The attorney general shall represent the agency in an action brought under this section and may recover reasonable expenses incurred in obtaining relief, including court costs, reasonable attorney's fees, investigative costs, witness fees, and deposition costs.

SECTION 5. Section 31.076(b), Education Code, is amended to read as follows:

(b) A decision by the commissioner regarding the purchase, revision, cost, licensing, or distribution of state-developed open-source instructional material is final and may not be appealed.

SECTION 6. Section 31.077, Education Code, is repealed.

SECTION 7. The commissioner of education may apply the changes in law made by this Act to instructional material purchased by the state under Subchapter B-1, Chapter 31, Education Code, regardless of whether the instructional material was purchased before, on, or after the effective date of this Act.

SECTION 8. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1784** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 762

Senator Menéndez submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 762** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

MENÉNDEZ	MOODY
LUCIO	LAUBENBERG
HUFFMAN	ALVARADO
SELIGER	PHELAN
ZAFFIRINI	STUCKY
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the prosecution of offenses involving cruelty to animals; increasing a criminal penalty.

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

SECTION 1. Section 42.092, Penal Code, is amended by amending Subsection (c) and adding Subsections (c-1) and (c-2) to read as follows:

(c) An offense under Subsection (b)(3), (4), (5), (6), or (9) is a Class A misdemeanor, except that the offense is a state jail felony if the person has previously been convicted two times under this section, two times under Section 42.09, or one time under this section and one time under Section 42.09.

(c-1) An offense under Subsection (b)(1) or[~~,~~] (2) is a felony of the third degree, except that the offense is a felony of the second degree if the person has previously been convicted under Subsection (b)(1), (2), (7), or (8) or under Section 42.09.

(c-2) An offense under Subsection (b)(7)[~~, (7),~~] or (8) is a state jail felony, except that the offense is a felony of the third degree if the person has previously been convicted [~~two times~~] under this section[~~, two times under Section 42.09,~~] or [~~one time under this section and one time~~] under Section 42.09.

SECTION 2. Section 821.023(b), Health and Safety Code, is repealed.

SECTION 3. The changes in law made by this Act apply only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 4. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 762** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 150

Senator Creighton submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 150** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

CREIGHTON	BELL
BUCKINGHAM	J. JOHNSON
HALL	SPRINGER
HUFFINES	GUILLEN
LUCIO	SHINE
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 150** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 557

Senator Burton submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 557** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

BURTON	COLLIER
HUGHES	WHITE
CREIGHTON	MINJAREZ
RODRÍGUEZ	GONZÁLEZ
WHITMIRE	S. THOMPSON
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 557** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3526

Senator Taylor of Galveston submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 3526** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

TAYLOR OF GALVESTON	HOWARD
CAMPBELL	ASHBY
HALL	BOHAC

LUCIO	BERNAL
	HUBERTY
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 3526** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 2442

Senator Taylor of Galveston submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2442** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

TAYLOR OF GALVESTON	K. KING
BETTENCOURT	BERNAL
CAMPBELL	DUTTON
HUFFINES	HUBERTY
	VANDEAVER
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2442** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1511

Senator Perry submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1511** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

PERRY	PRICE
ESTES	DARBY
HINOJOSA	LARSON
KOLKHORST	WORKMAN
SELIGER	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the state and regional water planning process and the funding of projects included in the state water plan.

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

SECTION 1. Section 15.439(a), Water Code, is amended to read as follows:

(a) The board shall adopt rules providing for the use of money in the fund that are consistent with this subchapter, including rules:

(1) establishing standards for determining whether projects meet the criteria provided by Section 15.434(b); and

(2) specifying the manner for prioritizing projects for purposes of Sections 15.436 and [~~Section~~] 15.437.

SECTION 2. Section 16.051(a-1), Water Code, is amended to read as follows:

(a-1) The state water plan must include:

(1) an evaluation of the state's progress in meeting future water needs, including an evaluation of the extent to which water management strategies and projects implemented after the adoption of the preceding state water plan have affected that progress; [~~and~~]

(2) an analysis of the number of projects included in the preceding state water plan that received financial assistance from the board; and

(3) with respect to projects included in the preceding state water plan that were given a high priority by the board for purposes of providing financial assistance under Subchapter G, Chapter 15:

(A) an assessment of the extent to which the projects were implemented in the decade in which they were needed; and

(B) an analysis of any impediments to the implementation of any projects that were not implemented in the decade in which they were needed.

SECTION 3. Section 16.053(c), Water Code, is amended to read as follows:

(c) No later than 60 days after the designation of the regions under Subsection (b), the board shall designate representatives within each regional water planning area to serve as the initial coordinating body for planning. The initial coordinating body may then designate additional representatives to serve on the regional water planning group. The initial coordinating body shall designate additional representatives if necessary to ensure adequate representation from the interests comprising that region,

including the public, counties, municipalities, industries, agricultural interests, environmental interests, small businesses, electric generating utilities, river authorities, water districts, and water utilities. The regional water planning group shall maintain adequate representation from those interests. In addition, the groundwater conservation districts located in each management area, as defined by Section 36.001, located in the regional water planning area shall appoint one representative of a groundwater conservation district located in the management area and in the regional water planning area to serve on the regional water planning group. In addition, representatives of the board, the Parks and Wildlife Department, [~~and~~] the Department of Agriculture, and the State Soil and Water Conservation Board shall serve as ex officio members of each regional water planning group.

SECTION 4. Sections 16.053(h)(1), (3), (6), and (10), Water Code, are amended to read as follows:

(1) Prior to the preparation of the regional water plan, the regional water planning group shall, after notice, hold at least one public meeting at some central location readily accessible to the public within the regional water planning area to gather suggestions and recommendations from the public as to issues that should be addressed in the plan or provisions that should be considered for inclusion in the plan.

(3) After the regional water plan is initially prepared, the regional water planning group shall, after notice, hold at least one public hearing at some central location readily accessible to the public within the regional water planning area. The group shall make copies of the plan available for public inspection at least one month before the hearing by providing a copy of the plan in the county courthouse and at least one public library of each county having land in the region. Notice for the hearing shall include a listing of these and any other location where the plan is available for review.

(6) If an interregional conflict exists, the board shall facilitate coordination between the involved regions to resolve the conflict. If conflict remains, the board shall resolve the conflict. On resolution of the conflict, the involved regional water planning groups shall prepare revisions to their respective plans and hold, after notice, at least one public hearing at some central location readily accessible to the public within their respective regional water planning areas. The regional water planning groups shall consider all public and board comments; prepare, revise, and adopt their respective plans; and submit their plans to the board for approval and inclusion in the state water plan.

(10) The regional water planning group may amend the regional water plan after the plan has been approved by the board. If, after the regional water plan has been approved by the board, the plan includes a water management strategy or project that ceases to be feasible, the regional water planning group shall amend the plan to exclude that water management strategy or project and shall consider amending the plan to include a feasible water management strategy or project in order to meet the need that was to be addressed by the infeasible water management strategy or project. For purposes of this subdivision, a water management strategy or project is considered infeasible if the proposed sponsor of the water management strategy or project has not taken an affirmative vote or other action to make expenditures necessary to construct or file applications for permits required in connection with the implementation of the

water management strategy or project under federal or state law on a schedule that is consistent with the completion of the implementation of the water management strategy or project by the time the water management strategy or project is projected by the regional water plan or the state water plan to be needed. Subdivisions (1)-(9) apply to an amendment to the plan in the same manner as those subdivisions apply to the plan.

SECTION 5. Sections 16.053(i), (p-1), and (p-2), Water Code, are amended to read as follows:

(i) The regional water planning groups shall submit their adopted regional water plans to the board by January 5, 2001, for approval and inclusion in the state water plan. In conjunction with the submission of regional water plans, each planning group should make legislative recommendations, if any, to facilitate more voluntary water transfers in the region. Subsequent regional water plans shall be submitted at least every five years thereafter, except that a regional water planning group may elect to implement simplified planning, no more often than every other five-year planning cycle, and in accordance with guidance to be provided by the board, if the group determines that, based on its own initial analyses using updated groundwater and surface water availability information, there are no significant changes to the water availability, water supplies, or water demands in the regional water planning area. At a minimum, simplified planning will require updating groundwater and surface water availability values in the regional water plan, meeting any other new statutory or other planning requirements that come into effect during each five-year planning cycle, and formally adopting and submitting the regional water plan for approval. Public participation for revised regional plans shall follow the procedures under Subsection (h).

(p-1) If the development board determines that resolution of the conflict requires a revision of an approved regional water plan, the development board shall suspend the approval of that plan and provide information to the regional water planning group. The regional water planning group shall prepare any revisions to its plan specified by the development board and shall hold, after notice, at least one public hearing at some central location readily accessible to the public within the regional water planning area. The regional water planning group shall consider all public and development board comments, prepare, revise, and adopt its plan, and submit the revised plan to the development board for approval and inclusion in the state water plan.

(p-2) If the development board determines that resolution of the conflict requires a revision of the district's approved groundwater conservation district management plan, the development board shall provide information to the district. The groundwater district shall prepare any revisions to its plan based on the information provided by the development board and shall hold, after notice, at least one public hearing at some central location readily accessible to the public within the district. The groundwater district shall consider all public and development board comments, prepare, revise, and adopt its plan, and submit the revised plan to the development board.

SECTION 6. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1511** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 2065

Senator Hancock submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 2065** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

HANCOCK	KUEMPEL
HUFFINES	GOLDMAN
SCHWERTNER	GUILLEN
WHITMIRE	HERNANDEZ
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the licensing and regulation of certain occupations and activities.

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

ARTICLE 1. VEHICLE PROTECTION PRODUCTS

SECTION 1.001. Section 17.45, Business & Commerce Code, is amended by adding Subdivisions (14), (15), and (16) to read as follows:

(14) "Vehicle protection product":

(A) means a product or system, including a written warranty:

(i) that is:

(a) installed on or applied to a vehicle; and

(b) designed to prevent loss of or damage to a vehicle from a specific cause; and

(ii) under which, after installation or application of the product or system described by Subparagraph (i), if loss or damage results from the failure of the product or system to perform as represented in the warranty, the warrantor, to the extent agreed on as part of the warranty, is required to pay expenses to the person in this state who purchases or otherwise possesses the product or system for the loss of or damage to the vehicle; and

(B) may also include identity recovery, as defined by Section 1304.003, Occupations Code, if the product or system described by Paragraph (A) is financed under Chapter 348 or 353, Finance Code.

(15) "Warrantor" means a person named under the terms of a vehicle protection product warranty as the contractual obligor to a person in this state who purchases or otherwise possesses a vehicle protection product.

(16) "Loss of or damage to the vehicle," for purposes of Subdivision (14)(A)(ii), may also include unreimbursed incidental expenses that may be incurred by the warrantor, including expenses for a replacement vehicle, temporary vehicle rental expenses, and registration expenses for replacement vehicles.

SECTION 1.002. Section 17.46(b), Business & Commerce Code, as amended by Chapters 1023 (H.B. 1265) and 1080 (H.B. 2573), Acts of the 84th Legislature, Regular Session, 2015, is reenacted and amended to read as follows:

(b) Except as provided in Subsection (d) of this section, the term "false, misleading, or deceptive acts or practices" includes, but is not limited to, the following acts:

(1) passing off goods or services as those of another;

(2) causing confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services;

(3) causing confusion or misunderstanding as to affiliation, connection, or association with, or certification by, another;

(4) using deceptive representations or designations of geographic origin in connection with goods or services;

(5) representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have or that a person has a sponsorship, approval, status, affiliation, or connection which the person does not;

(6) representing that goods are original or new if they are deteriorated, reconditioned, reclaimed, used, or secondhand;

(7) representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;

(8) disparaging the goods, services, or business of another by false or misleading representation of facts;

(9) advertising goods or services with intent not to sell them as advertised;

(10) advertising goods or services with intent not to supply a reasonable expectable public demand, unless the advertisements disclosed a limitation of quantity;

(11) making false or misleading statements of fact concerning the reasons for, existence of, or amount of price reductions;

(12) representing that an agreement confers or involves rights, remedies, or obligations which it does not have or involve, or which are prohibited by law;

(13) knowingly making false or misleading statements of fact concerning the need for parts, replacement, or repair service;

(14) misrepresenting the authority of a salesman, representative or agent to negotiate the final terms of a consumer transaction;

(15) basing a charge for the repair of any item in whole or in part on a guaranty or warranty instead of on the value of the actual repairs made or work to be performed on the item without stating separately the charges for the work and the charge for the warranty or guaranty, if any;

(16) disconnecting, turning back, or resetting the odometer of any motor vehicle so as to reduce the number of miles indicated on the odometer gauge;

(17) advertising of any sale by fraudulently representing that a person is going out of business;

(18) advertising, selling, or distributing a card which purports to be a prescription drug identification card issued under Section 4151.152, Insurance Code, in accordance with rules adopted by the commissioner of insurance, which offers a discount on the purchase of health care goods or services from a third party provider, and which is not evidence of insurance coverage, unless:

(A) the discount is authorized under an agreement between the seller of the card and the provider of those goods and services or the discount or card is offered to members of the seller;

(B) the seller does not represent that the card provides insurance coverage of any kind; and

(C) the discount is not false, misleading, or deceptive;

(19) using or employing a chain referral sales plan in connection with the sale or offer to sell of goods, merchandise, or anything of value, which uses the sales technique, plan, arrangement, or agreement in which the buyer or prospective buyer is offered the opportunity to purchase merchandise or goods and in connection with the purchase receives the seller's promise or representation that the buyer shall have the right to receive compensation or consideration in any form for furnishing to the seller the names of other prospective buyers if receipt of the compensation or consideration is contingent upon the occurrence of an event subsequent to the time the buyer purchases the merchandise or goods;

(20) representing that a guaranty or warranty confers or involves rights or remedies which it does not have or involve, provided, however, that nothing in this subchapter shall be construed to expand the implied warranty of merchantability as defined in Sections 2.314 through 2.318 and Sections 2A.212 through 2A.216 to involve obligations in excess of those which are appropriate to the goods;

(21) promoting a pyramid promotional scheme, as defined by Section 17.461;

(22) representing that work or services have been performed on, or parts replaced in, goods when the work or services were not performed or the parts replaced;

(23) filing suit founded upon a written contractual obligation of and signed by the defendant to pay money arising out of or based on a consumer transaction for goods, services, loans, or extensions of credit intended primarily for personal, family, household, or agricultural use in any county other than in the county in which the defendant resides at the time of the commencement of the action or in the county in which the defendant in fact signed the contract; provided, however, that a violation of this subsection shall not occur where it is shown by the person filing such suit that the

person neither knew or had reason to know that the county in which such suit was filed was neither the county in which the defendant resides at the commencement of the suit nor the county in which the defendant in fact signed the contract;

(24) failing to disclose information concerning goods or services which was known at the time of the transaction if such failure to disclose such information was intended to induce the consumer into a transaction into which the consumer would not have entered had the information been disclosed;

(25) using the term "corporation," "incorporated," or an abbreviation of either of those terms in the name of a business entity that is not incorporated under the laws of this state or another jurisdiction;

(26) selling, offering to sell, or illegally promoting an annuity contract under Chapter 22, Acts of the 57th Legislature, 3rd Called Session, 1962 (Article 6228a-5, Vernon's Texas Civil Statutes), with the intent that the annuity contract will be the subject of a salary reduction agreement, as defined by that Act, if the annuity contract is not an eligible qualified investment under that Act or is not registered with the Teacher Retirement System of Texas as required by Section 8A of that Act;

(27) taking advantage of a disaster declared by the governor under Chapter 418, Government Code, by:

(A) selling or leasing fuel, food, medicine, or another necessity at an exorbitant or excessive price; or

(B) demanding an exorbitant or excessive price in connection with the sale or lease of fuel, food, medicine, or another necessity;

(28) using the translation into a foreign language of a title or other word, including "attorney," "lawyer," "licensed," "notary," and "notary public," in any written or electronic material, including an advertisement, a business card, a letterhead, stationery, a website, or an online video, in reference to a person who is not an attorney in order to imply that the person is authorized to practice law in the United States;

(29) [~~(28)~~] delivering or distributing a solicitation in connection with a good or service that:

(A) represents that the solicitation is sent on behalf of a governmental entity when it is not; or

(B) resembles a governmental notice or form that represents or implies that a criminal penalty may be imposed if the recipient does not remit payment for the good or service;

(30) [~~(29)~~] delivering or distributing a solicitation in connection with a good or service that resembles a check or other negotiable instrument or invoice, unless the portion of the solicitation that resembles a check or other negotiable instrument or invoice includes the following notice, clearly and conspicuously printed in at least 18-point type:

"SPECIMEN-NON-NEGOTIABLE";

(31) [~~(30)~~] in the production, sale, distribution, or promotion of a synthetic substance that produces and is intended to produce an effect when consumed or ingested similar to, or in excess of, the effect of a controlled substance or controlled substance analogue, as those terms are defined by Section 481.002, Health and Safety Code:

(A) making a deceptive representation or designation about the synthetic substance; or

(B) causing confusion or misunderstanding as to the effects the synthetic substance causes when consumed or ingested; [~~or~~]

(32) [~~(31)~~] a licensed public insurance adjuster directly or indirectly soliciting employment, as defined by Section 38.01, Penal Code, for an attorney, or a licensed public insurance adjuster entering into a contract with an insured for the primary purpose of referring the insured to an attorney without the intent to actually perform the services customarily provided by a licensed public insurance adjuster, provided that this subdivision may not be construed to prohibit a licensed public insurance adjuster from recommending a particular attorney to an insured; or

(33) a warrantor of a vehicle protection product warranty using, in connection with the product, a name that includes "casualty," "surety," "insurance," "mutual," or any other word descriptive of an insurance business, including property or casualty insurance, or a surety business.

SECTION 1.003. Subchapter A, Chapter 348, Finance Code, is amended by adding Section 348.014 to read as follows:

Sec. 348.014. TRANSACTION CONDITIONED ON PURCHASE OF VEHICLE PROTECTION PRODUCT PROHIBITED. (a) In this section, "vehicle protection product" has the meaning assigned by Section 17.45, Business & Commerce Code.

(b) A retail seller may not require as a condition of a retail installment transaction or the cash sale of a motor vehicle that the buyer purchase a vehicle protection product that is not installed on the vehicle at the time of the transaction.

(c) A violation of this section is a false, misleading, or deceptive act or practice within the meaning of Section 17.46, Business & Commerce Code, and is actionable in a public or private suit brought under Subchapter E, Chapter 17, Business & Commerce Code.

SECTION 1.004. Subchapter A, Chapter 353, Finance Code, is amended by adding Section 353.017 to read as follows:

Sec. 353.017. TRANSACTION CONDITIONED ON PURCHASE OF VEHICLE PROTECTION PRODUCT PROHIBITED. (a) In this section, "vehicle protection product" has the meaning assigned by Section 17.45, Business & Commerce Code.

(b) A retail seller may not require as a condition of a retail installment transaction or the cash sale of a commercial vehicle that the buyer purchase a vehicle protection product that is not installed on the vehicle at the time of the transaction.

(c) A violation of this section is a false, misleading, or deceptive act or practice within the meaning of Section 17.46, Business & Commerce Code, and is actionable in a public or private suit brought under Subchapter E, Chapter 17, Business & Commerce Code.

SECTION 1.005. Chapter 2306, Occupations Code, is repealed.

SECTION 1.006. (a) On the effective date of this Act:

(1) an action, including a disciplinary or administrative proceeding, pending under Chapter 51 or 2306, Occupations Code, on the effective date of this Act related to an alleged violation of Chapter 2306, Occupations Code, as that chapter existed immediately before the effective date of this Act, is dismissed;

(2) the Vehicle Protection Product Warrantor Advisory Board is abolished; and

(3) a registration issued under former Chapter 2306, Occupations Code, expires.

(b) As soon as practicable after the effective date of this Act, the Texas Commission of Licensing and Regulation shall repeal all rules regarding the regulation of vehicle protection product warrantors adopted under former Chapter 2306, Occupations Code.

(c) An administrative penalty assessed by the Texas Commission of Licensing and Regulation or the executive director of the Texas Department of Licensing and Regulation related to a violation of Chapter 2306, Occupations Code, as that chapter existed immediately before the effective date of this Act, may be collected as provided by Chapter 51, Occupations Code.

(d) The repeal by this Act of Chapter 2306, Occupations Code, does not affect the validity or terms of a vehicle protection product warranty that was issued or renewed before the effective date of this Act.

SECTION 1.007. Section 17.46(b), Business & Commerce Code, as amended by this Act, applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrued before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 1.008. Sections 348.014 and 353.017, Finance Code, as added by this Act, apply only to a transaction for the purchase of a motor vehicle or commercial vehicle, as applicable, that occurs on or after the effective date of this Act. A transaction for the purchase of a motor vehicle or commercial vehicle that occurs before the effective date of this Act is governed by the law in effect on the date the transaction occurred, and the former law is continued in effect for that purpose.

ARTICLE 2. NOTARIES PUBLIC

SECTION 2.001. Section 17.46(b), Business & Commerce Code, as amended by Chapters 1023 (H.B. 1265) and 1080 (H.B. 2573), Acts of the 84th Legislature, Regular Session, 2015, is reenacted and amended to read as follows:

(b) Except as provided in Subsection (d) of this section, the term "false, misleading, or deceptive acts or practices" includes, but is not limited to, the following acts:

(1) passing off goods or services as those of another;

(2) causing confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services;

(3) causing confusion or misunderstanding as to affiliation, connection, or association with, or certification by, another;

(4) using deceptive representations or designations of geographic origin in connection with goods or services;

(5) representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have or that a person has a sponsorship, approval, status, affiliation, or connection which the person does not;

(6) representing that goods are original or new if they are deteriorated, reconditioned, reclaimed, used, or secondhand;

(7) representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;

(8) disparaging the goods, services, or business of another by false or misleading representation of facts;

(9) advertising goods or services with intent not to sell them as advertised;

(10) advertising goods or services with intent not to supply a reasonable expectable public demand, unless the advertisements disclosed a limitation of quantity;

(11) making false or misleading statements of fact concerning the reasons for, existence of, or amount of price reductions;

(12) representing that an agreement confers or involves rights, remedies, or obligations which it does not have or involve, or which are prohibited by law;

(13) knowingly making false or misleading statements of fact concerning the need for parts, replacement, or repair service;

(14) misrepresenting the authority of a salesman, representative or agent to negotiate the final terms of a consumer transaction;

(15) basing a charge for the repair of any item in whole or in part on a guaranty or warranty instead of on the value of the actual repairs made or work to be performed on the item without stating separately the charges for the work and the charge for the warranty or guaranty, if any;

(16) disconnecting, turning back, or resetting the odometer of any motor vehicle so as to reduce the number of miles indicated on the odometer gauge;

(17) advertising of any sale by fraudulently representing that a person is going out of business;

(18) advertising, selling, or distributing a card which purports to be a prescription drug identification card issued under Section 4151.152, Insurance Code, in accordance with rules adopted by the commissioner of insurance, which offers a discount on the purchase of health care goods or services from a third party provider, and which is not evidence of insurance coverage, unless:

(A) the discount is authorized under an agreement between the seller of the card and the provider of those goods and services or the discount or card is offered to members of the seller;

(B) the seller does not represent that the card provides insurance coverage of any kind; and

(C) the discount is not false, misleading, or deceptive;

(19) using or employing a chain referral sales plan in connection with the sale or offer to sell of goods, merchandise, or anything of value, which uses the sales technique, plan, arrangement, or agreement in which the buyer or prospective buyer is offered the opportunity to purchase merchandise or goods and in connection with the purchase receives the seller's promise or representation that the buyer shall have the

right to receive compensation or consideration in any form for furnishing to the seller the names of other prospective buyers if receipt of the compensation or consideration is contingent upon the occurrence of an event subsequent to the time the buyer purchases the merchandise or goods;

(20) representing that a guaranty or warranty confers or involves rights or remedies which it does not have or involve, provided, however, that nothing in this subchapter shall be construed to expand the implied warranty of merchantability as defined in Sections 2.314 through 2.318 and Sections 2A.212 through 2A.216 to involve obligations in excess of those which are appropriate to the goods;

(21) promoting a pyramid promotional scheme, as defined by Section 17.461;

(22) representing that work or services have been performed on, or parts replaced in, goods when the work or services were not performed or the parts replaced;

(23) filing suit founded upon a written contractual obligation of and signed by the defendant to pay money arising out of or based on a consumer transaction for goods, services, loans, or extensions of credit intended primarily for personal, family, household, or agricultural use in any county other than in the county in which the defendant resides at the time of the commencement of the action or in the county in which the defendant in fact signed the contract; provided, however, that a violation of this subsection shall not occur where it is shown by the person filing such suit that the person neither knew or had reason to know that the county in which such suit was filed was neither the county in which the defendant resides at the commencement of the suit nor the county in which the defendant in fact signed the contract;

(24) failing to disclose information concerning goods or services which was known at the time of the transaction if such failure to disclose such information was intended to induce the consumer into a transaction into which the consumer would not have entered had the information been disclosed;

(25) using the term "corporation," "incorporated," or an abbreviation of either of those terms in the name of a business entity that is not incorporated under the laws of this state or another jurisdiction;

(26) selling, offering to sell, or illegally promoting an annuity contract under Chapter 22, Acts of the 57th Legislature, 3rd Called Session, 1962 (Article 6228a-5, Vernon's Texas Civil Statutes), with the intent that the annuity contract will be the subject of a salary reduction agreement, as defined by that Act, if the annuity contract is not an eligible qualified investment under that Act or is not registered with the Teacher Retirement System of Texas as required by Section 8A of that Act;

(27) taking advantage of a disaster declared by the governor under Chapter 418, Government Code, by:

(A) selling or leasing fuel, food, medicine, or another necessity at an exorbitant or excessive price; or

(B) demanding an exorbitant or excessive price in connection with the sale or lease of fuel, food, medicine, or another necessity;

(28) using the translation into a foreign language of a title or other word, including "attorney," "immigration consultant," "immigration expert," "lawyer," "licensed," "notary," and "notary public," in any written or electronic material,

including an advertisement, a business card, a letterhead, stationery, a website, or an online video, in reference to a person who is not an attorney in order to imply that the person is authorized to practice law in the United States;

(29) [~~(28)~~] delivering or distributing a solicitation in connection with a good or service that:

(A) represents that the solicitation is sent on behalf of a governmental entity when it is not; or

(B) resembles a governmental notice or form that represents or implies that a criminal penalty may be imposed if the recipient does not remit payment for the good or service;

(30) [~~(29)~~] delivering or distributing a solicitation in connection with a good or service that resembles a check or other negotiable instrument or invoice, unless the portion of the solicitation that resembles a check or other negotiable instrument or invoice includes the following notice, clearly and conspicuously printed in at least 18-point type:

"SPECIMEN-NON-NEGOTIABLE";

(31) [~~(30)~~] in the production, sale, distribution, or promotion of a synthetic substance that produces and is intended to produce an effect when consumed or ingested similar to, or in excess of, the effect of a controlled substance or controlled substance analogue, as those terms are defined by Section 481.002, Health and Safety Code:

(A) making a deceptive representation or designation about the synthetic substance; or

(B) causing confusion or misunderstanding as to the effects the synthetic substance causes when consumed or ingested; or

(32) [~~(31)~~] a licensed public insurance adjuster directly or indirectly soliciting employment, as defined by Section 38.01, Penal Code, for an attorney, or a licensed public insurance adjuster entering into a contract with an insured for the primary purpose of referring the insured to an attorney without the intent to actually perform the services customarily provided by a licensed public insurance adjuster, provided that this subdivision may not be construed to prohibit a licensed public insurance adjuster from recommending a particular attorney to an insured.

SECTION 2.002. Section 406.017, Government Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) A person commits an offense if the person is a notary public and the person:

(1) states or implies that the person is an attorney licensed to practice law in this state;

(2) solicits or accepts compensation to prepare documents for or otherwise represent the interest of another in a judicial or administrative proceeding, including a proceeding relating to immigration or admission to the United States, United States citizenship, or related matters;

(3) solicits or accepts compensation to obtain relief of any kind on behalf of another from any officer, agency, or employee of this state or the United States;

(4) uses the phrase "notario" or "notario publico" to advertise the services of a notary public, whether by signs, pamphlets, stationery, or other written communication or by radio or television; or

(5) advertises the services of a notary public in a language other than English, whether by signs, pamphlets, stationery, or other written communication or by radio or television, if the person does not post or otherwise include with the advertisement a notice that complies with Subsection (b).

(a-1) A person does not violate this section by offering or providing language translation or typing services and accepting compensation.

SECTION 2.003. The change in law made by this article to Section 17.46(b), Business & Commerce Code, applies only to a cause of action that accrues on or after the effective date of this Act. A cause of action that accrued before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 2.004. The change in law made by this article to Section 406.017, Government Code, applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect when the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

ARTICLE 3. REPORT ON OCCUPATIONAL LICENSING BY COMPTROLLER

SECTION 3.001. Subchapter B, Chapter 403, Government Code, is amended by adding Section 403.03058 to read as follows:

Sec. 403.03058. REPORT ON OCCUPATIONAL LICENSING. (a) Not later than December 31 of each even-numbered year, the comptroller shall prepare and submit to the legislature a report regarding all occupational licenses, including permits, certifications, and registrations, required by this state. The report must include:

(1) for each type of license:

(A) a description of the license;

(B) the department with regulatory authority for the license;

(C) the number of active licenses;

(D) the cost of an initial application for the license and for a renewal of the license; and

(E) the amount of state revenue generated from the issuance and renewal of the license; and

(2) a list of all statutory provisions requiring a license that were abolished during the previous legislative session.

(b) The comptroller shall post on its Internet website the report prepared under Subsection (a).

SECTION 3.002. Not later than December 31, 2018, the comptroller of public accounts shall provide the initial report to the legislature as required by Section 403.03058, Government Code, as added by this article.

ARTICLE 4. CERTIFICATE OF AUTHORITY; OVER-THE-COUNTER SALE OF EPHEDRINE, PSEUDOEPHEDRINE, AND NORPSEUDOEPHEDRINE BY ESTABLISHMENTS OTHER THAN PHARMACIES

SECTION 4.001. Sections 486.004(a) and (b), Health and Safety Code, are amended to read as follows:

(a) The department shall collect fees for[÷

[~~(1) the issuance of a certificate of authority under this chapter; and~~

[~~(2)~~] an inspection performed in enforcing this chapter and rules adopted under this chapter.

(b) The executive commissioner by rule shall set the fees in amounts that allow the department to recover the biennial expenditures of state funds by the department in[~~:~~

[~~(1) reviewing applications for the issuance of a certificate of authority under this chapter;~~

[~~(2) issuing certificates of authority under this chapter;~~

[~~(3) inspecting and auditing a business establishment that is issued a certificate of authority under this chapter; and~~

[~~(4) otherwise~~] implementing and enforcing this chapter.

SECTION 4.002. Section 486.0142(b), Health and Safety Code, is amended to read as follows:

(b) On application by a business establishment that engages in over-the-counter sales of products containing ephedrine, pseudoephedrine, or norpseudoephedrine [~~in accordance with a certificate of authority issued under Section 486.012~~], the department may grant that business establishment a temporary exemption, not to exceed 180 days, from the requirement of using a real-time electronic logging system under this chapter.

SECTION 4.003. Section 486.012, Health and Safety Code, is repealed.

ARTICLE 5. TITLE ATTORNEY LICENSE; ATTORNEY'S TITLE INSURANCE COMPANY

SECTION 5.001. Section 35.001(2), Insurance Code, is amended to read as follows:

(2) "Regulated entity" means each insurer, organization, person, or program regulated by the department, including:

(A) a domestic or foreign, stock or mutual, life, health, or accident insurance company;

(B) a domestic or foreign, stock or mutual, fire or casualty insurance company;

(C) a Mexican casualty company;

(D) a domestic or foreign Lloyd's plan;

(E) a domestic or foreign reciprocal or interinsurance exchange;

(F) a domestic or foreign fraternal benefit society;

(G) a domestic or foreign title insurance company;

(H) [~~an attorney's title insurance company;~~

[~~(I)~~] a stipulated premium company;

(I) [~~(J)~~] a nonprofit legal service corporation;

(J) [~~(K)~~] a health maintenance organization;

(K) [~~(L)~~] a statewide mutual assessment company;

(L) [~~(M)~~] a local mutual aid association;

(M) [~~(N)~~] a local mutual burial association;

(N) [~~(O)~~] an association exempt under Section 887.102;

(O) [~~(P)~~] a nonprofit hospital, medical, or dental service corporation, including a company subject to Chapter 842;

(P) [~~(Q)~~] a county mutual insurance company;

(Q) [~~(R)~~] a farm mutual insurance company; and

(R) [~~(S)~~] an agency or agent of an insurer, organization, person, or program described by this subdivision.

SECTION 5.002. Section 82.002(a), Insurance Code, is amended to read as follows:

(a) This chapter applies to each company regulated by the commissioner, including:

(1) a domestic or foreign, stock or mutual, life, health, or accident insurance company;

(2) a domestic or foreign, stock or mutual, fire or casualty insurance company;

(3) a Mexican casualty company;

(4) a domestic or foreign Lloyd's plan insurer;

(5) a domestic or foreign reciprocal or interinsurance exchange;

(6) a domestic or foreign fraternal benefit society;

(7) a domestic or foreign title insurance company;

(8) [~~an attorney's title insurance company;~~

[~~(9)~~] a stipulated premium insurance company;

(9) [~~(10)~~] a nonprofit legal service corporation;

(10) [~~(11)~~] a health maintenance organization;

(11) [~~(12)~~] a statewide mutual assessment company;

(12) [~~(13)~~] a local mutual aid association;

(13) [~~(14)~~] a local mutual burial association;

(14) [~~(15)~~] an association exempt under Section 887.102;

(15) [~~(16)~~] a nonprofit hospital, medical, or dental service corporation, including a company subject to Chapter 842;

(16) [~~(17)~~] a county mutual insurance company; and

(17) [~~(18)~~] a farm mutual insurance company.

SECTION 5.003. Section 83.002(a), Insurance Code, is amended to read as follows:

(a) This chapter applies to each company regulated by the commissioner, including:

(1) a domestic or foreign, stock or mutual, life, health, or accident insurance company;

(2) a domestic or foreign, stock or mutual, fire or casualty insurance company;

(3) a Mexican casualty company;

(4) a domestic or foreign Lloyd's plan insurer;

(5) a domestic or foreign reciprocal or interinsurance exchange;

(6) a domestic or foreign fraternal benefit society;

(7) a domestic or foreign title insurance company;

(8) [~~an attorney's title insurance company;~~

[~~(9)~~] a stipulated premium insurance company;

(9) [~~(10)~~] a nonprofit legal service corporation;

(10) [~~(11)~~] a statewide mutual assessment company;

(11) [~~(12)~~] a local mutual aid association;

(12) [~~(13)~~] a local mutual burial association;

(13) [~~(14)~~] an association exempt under Section 887.102;

(14) [~~(15)~~] a nonprofit hospital, medical, or dental service corporation, including a company subject to Chapter 842;

(15) [~~(16)~~] a county mutual insurance company; and

(16) [~~(17)~~] a farm mutual insurance company.

SECTION 5.004. Section 554.001, Insurance Code, is amended to read as follows:

Sec. 554.001. APPLICABILITY OF CHAPTER. This chapter applies to each insurer or health maintenance organization engaged in the business of insurance or the business of a health maintenance organization in this state, regardless of form and however organized, including:

(1) a stock life, health, or accident insurance company;

(2) a mutual life, health, or accident insurance company;

(3) a stock fire or casualty insurance company;

(4) a mutual fire or casualty insurance company;

(5) a Mexican casualty insurance company;

(6) a Lloyd's plan;

(7) a reciprocal or interinsurance exchange;

(8) a fraternal benefit society;

(9) a title insurance company;

(10) [~~an attorney's title insurance company;~~

[~~(11)~~] a stipulated premium company;

(11) [~~(12)~~] a nonprofit legal services corporation;

(12) [~~(13)~~] a statewide mutual assessment company;

(13) [~~(14)~~] a local mutual aid association;

(14) [~~(15)~~] a local mutual burial association;

(15) [~~(16)~~] an association exempt under Section 887.102;

(16) [~~(17)~~] a nonprofit hospital, medical, or dental service corporation, including a corporation subject to Chapter 842;

(17) [~~(18)~~] a county mutual insurance company;

(18) [~~(19)~~] a farm mutual insurance company; and

(19) [~~(20)~~] an insurer or health maintenance organization engaged in the business of insurance or the business of a health maintenance organization in this state that does not hold a certificate of authority issued by the department or is not otherwise authorized to engage in business in this state.

SECTION 5.005. Section 703.001, Insurance Code, is amended to read as follows:

Sec. 703.001. DEFINITION. In this chapter, "covered entity" means a health maintenance organization or insurer regulated by the department, including:

(1) a stock life, health, or accident insurance company;

(2) a mutual life, health, or accident insurance company;

(3) a stock fire or casualty insurance company;

(4) a mutual fire or casualty insurance company;

(5) a Mexican casualty insurance company;

(6) a Lloyd's plan;
(7) a reciprocal or interinsurance exchange;
(8) a fraternal benefit society;
(9) a title insurance company;
(10) [~~an attorney's title insurance company;~~
[~~(11)~~] a stipulated premium company;
(11) [~~(12)~~] a nonprofit legal services corporation;
(12) [~~(13)~~] a statewide mutual assessment company;
(13) [~~(14)~~] a local mutual aid association;
(14) [~~(15)~~] a local mutual burial association;
(15) [~~(16)~~] an association exempt under Section 887.102;
(16) [~~(17)~~] a nonprofit hospital, medical, or dental service corporation, including a corporation subject to Chapter 842;
(17) [~~(18)~~] a county mutual insurance company; and
(18) [~~(19)~~] a farm mutual insurance company.

SECTION 5.006. Section 802.051, Insurance Code, is amended to read as follows:

Sec. 802.051. APPLICABILITY OF SUBCHAPTER. This subchapter applies to each company regulated by the commissioner, including:

(1) a stock life, health, or accident insurance company;
(2) a mutual life, health, or accident insurance company;
(3) a stock fire or casualty insurance company;
(4) a mutual fire or casualty insurance company;
(5) a Mexican casualty company;
(6) a Lloyd's plan;
(7) a reciprocal or interinsurance exchange;
(8) a fraternal benefit society;
(9) a title insurance company;
(10) [~~an attorney's title insurance company;~~
[~~(11)~~] a stipulated premium insurance company;
(11) [~~(12)~~] a nonprofit legal service corporation;
(12) [~~(13)~~] a health maintenance organization;
(13) [~~(14)~~] a statewide mutual assessment company;
(14) [~~(15)~~] a local mutual aid association;
(15) [~~(16)~~] a local mutual burial association;
(16) [~~(17)~~] an association exempt under Section 887.102;
(17) [~~(18)~~] a nonprofit hospital, medical, or dental service corporation, including a company subject to Chapter 842;
(18) [~~(19)~~] a county mutual insurance company; and
(19) [~~(20)~~] a farm mutual insurance company.

SECTION 5.007. Section 2551.053(a), Insurance Code, is amended to read as follows:

(a) A [~~Except as provided by Section 2552.053(b), a~~] title insurance company must have a paid-up capital of at least $1 million and a surplus of at least $1 million.

SECTION 5.008. Section 2602.003(2), Insurance Code, is amended to read as follows:

(2) "Agent" includes:

(A) a title insurance agent, as defined by Section 2501.003; and

(B) [~~a title attorney, as defined by Section 2552.002; and~~

[~~(C)~~] a direct operation or a title insurance company's wholly owned subsidiary or affiliate that performs the services usually and customarily performed by a title insurance agent.

SECTION 5.009. Chapter 2552, Insurance Code, is repealed.

SECTION 5.010. The changes in law made by this article do not affect the right of any individual licensed before the effective date of this Act to engage in the applicable occupation for the remainder of the term for which the license was issued.

ARTICLE 6. EMERGENCY MANAGING GENERAL AGENT LICENSE

SECTION 6.001. Section 4053.052, Insurance Code, is repealed.

SECTION 6.002. The changes in law made by this article do not affect the right of any individual licensed before the effective date of this Act to engage in the applicable occupation for the remainder of the term for which the license was issued.

ARTICLE 7. TEMPORARY COMMON WORKER EMPLOYERS

SECTION 7.001. Section 92.001(a), Labor Code, is amended to read as follows:

(a) The legislature finds that this chapter is necessary to:

(1) provide for the health, safety, and welfare of common workers throughout this state; and

(2) establish uniform standards of conduct and practice for temporary common worker [~~certain~~] employers in this state.

SECTION 7.002. Section 92.002, Labor Code, is amended by amending Subdivision (6) and adding Subdivision (6-a) to read as follows:

(6) "Labor hall" means a central location maintained by a temporary common worker employer [~~license holder~~] where common workers assemble and are dispatched to work for a user of common workers.

(6-a) "Municipality" has the meaning assigned by Section 1.005, Local Government Code.

SECTION 7.003. The heading to Subchapter B, Chapter 92, Labor Code, is amended to read as follows:

SUBCHAPTER B. AUTHORITY TO OPERATE [~~LICENSE REQUIREMENTS~~]

SECTION 7.004. Subchapter B, Chapter 92, Labor Code, is amended by adding Section 92.0115 to read as follows:

Sec. 92.0115. AUTHORITY TO OPERATE. Subject to Section 92.013 and unless prohibited by a governmental subdivision, a person may operate as a temporary common worker employer in this state if the person meets the requirements of this chapter.

SECTION 7.005. The heading to Section 92.012, Labor Code, is amended to read as follows:

Sec. 92.012. EXEMPTIONS [~~FROM LICENSING REQUIREMENT~~].

SECTION 7.006. Section 92.013(b), Labor Code, is amended to read as follows:

(b) A municipality with a population greater than one million may establish municipal [~~licensing~~] requirements that impose stricter standards of conduct and practice than those imposed under Subchapter C.

SECTION 7.007. The heading to Subchapter C, Chapter 92, Labor Code, is amended to read as follows:

SUBCHAPTER C. STANDARDS OF CONDUCT AND PRACTICE [~~POWERS AND DUTIES OF LICENSE HOLDER~~]

SECTION 7.008. Section 92.021, Labor Code, is amended to read as follows:

Sec. 92.021. POWERS AND DUTIES OF [~~LICENSE HOLDER AS~~] EMPLOYER. (a) Each temporary common worker employer [~~license holder~~] is the employer of the common workers provided by that temporary common worker employer [~~license holder~~].

(b) A temporary common worker employer [~~license holder~~] may hire, reassign, control, direct, and discharge the employees of the temporary common worker employer [~~license holder~~].

SECTION 7.009. Section 92.022, Labor Code, is amended to read as follows:

Sec. 92.022. REQUIRED RECORDS; CONFIDENTIALITY. (a) Each temporary common worker employer [~~license holder~~] shall maintain and make available to a governmental subdivision [~~representative of the department~~] records that show for each common worker provided by the temporary common worker employer [~~license holder~~] to a user of common workers:

(1) the name and address of the worker;
(2) the hours worked;
(3) the places at which the work was performed;
(4) the wages paid to the worker; and
(5) any deductions made from those wages.

(b) The temporary common worker employer [~~license holder~~] shall maintain the records at least until the second anniversary of the date on which the worker was last employed by the temporary common worker employer [~~license holder~~].

(c) Information received by the governmental subdivision [~~commission or department~~] under this section is privileged and confidential and is for the exclusive use of the governmental subdivision [~~commission or department~~]. The information may not be disclosed to any other person except on the entry of a court order requiring disclosure or on the written consent of a person under investigation who is the subject of the records.

SECTION 7.010. Section 92.023(b), Labor Code, is amended to read as follows:

(b) Each temporary common worker employer [~~license holder~~] shall [~~also~~] post in a conspicuous place in the [~~licensed~~] premises on which the temporary common worker employer operates a notice of any charge permitted under this chapter that the temporary common worker employer [~~license holder~~] may assess against a common worker for equipment, tools, transportation, or other work-related services.

SECTION 7.011. Section 92.024, Labor Code, is amended to read as follows:

Sec. 92.024. LABOR HALL REQUIREMENTS. A temporary common worker employer [~~license holder~~] that operates a labor hall as part of a [~~licensed~~] premises on which the temporary common worker employer operates shall provide adequate facilities for a worker waiting for a job assignment. The facilities must include:

(1) restroom facilities for both men and women;
(2) drinking water;

(3) sufficient seating; and

(4) access to vending refreshments and food.

SECTION 7.012. Section 92.025, Labor Code, is amended to read as follows:

Sec. 92.025. CERTAIN CHARGES AND DEDUCTIONS PROHIBITED. (a) A temporary common worker employer [~~license holder~~] may not charge a common worker for:

(1) safety equipment, clothing, or accessories required by the nature of the work, either by law, custom, or the requirements of the user of common workers;

(2) uniforms, special clothing, or other items required as a condition of employment by the user of common workers;

(3) the cashing of a check or voucher; or

(4) the receipt by the worker of earned wages.

(b) A temporary common worker employer [~~license holder~~] may not deduct or withhold any amount from the earned wages of a common worker except:

(1) a deduction required by federal or state law; or

(2) a reimbursement for a cash advance made to the worker during the same pay period.

SECTION 7.013. Chapter 92, Labor Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. ENFORCEMENT

Sec. 92.031. ENFORCEMENT. A governmental subdivision may enforce this chapter within the boundaries of the governmental subdivision.

SECTION 7.014. The following provisions of the Labor Code are repealed:

(1) Sections 92.002(1), (4), and (4-a);

(2) Section 92.003;

(3) Section 92.004;

(4) Section 92.011;

(5) Section 92.013(a);

(6) Section 92.014;

(7) Section 92.015; and

(8) Section 92.023(a).

SECTION 7.015. (a) An administrative proceeding pending under Chapter 51, Occupations Code, or Chapter 92, Labor Code, on the effective date of this Act related to a violation of Chapter 92, Labor Code, as that chapter existed immediately before the effective date of this Act, is dismissed.

(b) An administrative penalty assessed by the Texas Commission of Licensing and Regulation or the executive director of the Texas Department of Licensing and Regulation related to a violation of Chapter 92, Labor Code, as that chapter existed immediately before the effective date of this Act, may be collected as provided by Chapter 51, Occupations Code.

(c) The changes in law made by this Act do not affect the pending prosecution of an offense under Chapter 92, Labor Code, as that chapter existed immediately before the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and

the former law is continued in effect for that purpose. For purposes of this subsection, an offense was committed before the effective date of this Act if any element of the offense was committed before that date.

ARTICLE 8. FOR-PROFIT LEGAL SERVICE CONTRACT COMPANIES

SECTION 8.001. Section 953.001(1), Occupations Code, is amended to read as follows:

(1) "Administrator" means the person responsible for the administration of a legal service contract. [~~The term includes a person responsible for any filing required by this chapter.~~]

SECTION 8.002. Section 953.156, Occupations Code, is amended to read as follows:

Sec. 953.156. FORM OF LEGAL SERVICE CONTRACT AND REQUIRED DISCLOSURES. [~~(a) A legal service contract must be filed with the executive director before it is marketed, sold, offered for sale, administered, or issued in this state. Any subsequent endorsement or attachment to the contract must also be filed with the executive director before the endorsement or attachment is delivered to legal service contract holders.~~

[~~(b)~~] A legal service contract marketed, sold, offered for sale, administered, or issued in this state must:

(1) be written, printed, or typed in clear, understandable language that is easy to read;

(2) include the name and full address of the company;

(3) include the purchase price of the contract and the terms under which the contract is sold;

(4) include the terms and restrictions governing cancellation of the contract by the company or the legal service contract holder;

(5) identify:

(A) any administrator, if the administrator is not the company;

(B) the sales representative; and

(C) the name of the legal service contract holder;

(6) include the amount of any deductible or copayment;

(7) specify the legal services and other benefits to be provided under the contract, and any limitation, exception, or exclusion;

(8) specify the legal services, if any, for which the company will provide reimbursement and the amount of that reimbursement;

(9) specify any restriction governing the transferability of the contract or the assignment of benefits;

(10) include the duties of the legal service contract holder;

(11) [~~include the contact information for the department, including the department's toll-free number and electronic mail address, as well as a statement that the department regulates the company and the company's sales representatives;~~

[~~(12)~~] explain the method to be used in resolving the legal service contract holder's complaints and grievances;

(12) [~~(13)~~] explain how legal services may be obtained under the legal service contract;

(13) [~~(14)~~] include a provision stating that no change in the contract is valid until the change has been approved by an executive officer of the company and unless the approval is endorsed or attached to the contract;

(14) [~~(15)~~] include any eligibility and effective date requirements, including a definition of eligible dependents and the effective date of their coverage;

(15) [~~(16)~~] include the conditions under which coverage will terminate;

(16) [~~(17)~~] explain any subrogation arrangements;

(17) [~~(18)~~] contain a payment provision that provides for a grace period of at least 31 days; and

(18) [~~(19)~~] include conditions under which contract rates may be modified[~~; and~~

[~~(20) include any other items required by the executive director as determined by rule~~].

SECTION 8.003. Section 953.162, Occupations Code, is amended to read as follows:

Sec. 953.162. APPOINTMENT AND RESPONSIBILITIES OF ADMINISTRATOR. [~~(a)~~] A company may appoint an administrator or designate a person to be responsible for:

(1) all or any part of the administration or sale of legal service contracts; and

(2) compliance with this chapter.

[~~(b) The executive director may adopt rules regarding the registration of an administrator with the department.~~]

SECTION 8.004. Chapter 953, Occupations Code, is amended by adding Subchapter F to read as follows:

SUBCHAPTER F. ENFORCEMENT

Sec. 953.251. DECEPTIVE TRADE PRACTICE. A violation of this chapter is a deceptive trade practice actionable under Subchapter E, Chapter 17, Business & Commerce Code.

SECTION 8.005. The following provisions of the Occupations Code are repealed:

(1) Sections 953.001(4), (5), and (6);

(2) Sections 953.004, 953.005, and 953.155; and

(3) Subchapters B, C, and E, Chapter 953.

SECTION 8.006. (a) On the effective date of this article, a registration issued under former Subchapter B, Chapter 953, Occupations Code, expires.

(b) On the effective date of this article, a pending proceeding under Chapter 953, Occupations Code, including a complaint investigation, disciplinary action, or administrative penalty proceeding, relating to a registration issued under former Subchapter B, Chapter 953, Occupations Code, or relating to another former provision of Chapter 953, Occupations Code, that is repealed by this article, is dismissed.

SECTION 8.007. This article takes effect September 1, 2019.

ARTICLE 9. PLUMBING

SECTION 9.001. Section 1301.704, Occupations Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) Failure to request a hearing or accept the determination and recommended penalty within the time provided by this section waives the right to a hearing under this chapter.

(d) If the board determines without a hearing that the person committed a violation and a penalty is to be imposed, the board shall:

(1) provide written notice to the person of the board's findings; and

(2) enter an order requiring the person to pay the recommended penalty.

SECTION 9.002. Section 1301.705(a), Occupations Code, is amended to read as follows:

(a) If the person requests a hearing [~~or fails to respond in a timely manner to the notice~~], the enforcement committee shall set a hearing and give written notice of the hearing to the person. An administrative law judge of the State Office of Administrative Hearings shall hold the hearing.

SECTION 9.003. The change in law made by this article to Section 1301.704, Occupations Code, applies only to imposition of an administrative penalty against a person who receives notice under Section 1301.703(b), Occupations Code, on or after the effective date of this Act. An administrative penalty for which notice under that section is received before the effective date of this Act is governed by the law in effect on the date the notice was received, and the former law is continued in effect for that purpose.

ARTICLE 10. BARBERING AND COSMETOLOGY

SECTION 10.001. Section 1601.002, Occupations Code, is amended to read as follows:

Sec. 1601.002. DEFINITION OF BARBERING. In this chapter, "barbering," "practicing barbering," or the "practice of barbering" means:

(1) performing or offering or attempting to perform for compensation or the promise of compensation any of the following services:

(A) treating a person's mustache or beard by arranging, beautifying, coloring, processing, shaving, styling, or trimming;

(B) treating a person's hair by:

(i) arranging, beautifying, bleaching, cleansing, coloring, curling, dressing, dyeing, processing, [~~shampooing,~~] shaping, singeing, straightening, styling, tinting, or waving;

(ii) providing a necessary service that is preparatory or ancillary to a service under Subparagraph (i), including bobbing, clipping, cutting, or trimming; or

(iii) cutting the person's hair as a separate and independent service for which a charge is directly or indirectly made separately from a charge for any other service;

(C) cleansing, stimulating, or massaging a person's scalp, face, neck, arms, or shoulders:

(i) by hand or by using a device, apparatus, or appliance; and

(ii) with or without the use of any cosmetic preparation, antiseptic, tonic, lotion, or cream;

(D) beautifying a person's face, neck, arms, or shoulders using a cosmetic preparation, antiseptic, tonic, lotion, powder, oil, clay, cream, or appliance;

(E) treating a person's nails by:

(i) cutting, trimming, polishing, tinting, coloring, cleansing, manicuring, or pedicuring; or

(ii) attaching false nails;

(F) massaging, cleansing, treating, or beautifying a person's hands;

(G) administering facial treatments;

(H) weaving a person's hair by using any method to attach commercial hair to a person's hair or scalp; or

(I) [~~shampooing or conditioning a person's hair; or~~

[~~(J)~~] servicing in any manner listed in Paragraph (B) a person's wig, toupee, or artificial hairpiece on a person's head or on a block after the initial retail sale;

(2) advertising or representing to the public in any manner that a person is a barber or is authorized to practice barbering; or

(3) advertising or representing to the public in any manner that a location or place of business is a barbershop, specialty shop, or barber school.

SECTION 10.002. Subchapter A, Chapter 1601, Occupations Code, is amended by adding Section 1601.0025 to read as follows:

Sec. 1601.0025. SERVICES NOT CONSTITUTING BARBERING. Notwithstanding Section 1601.002, "barbering," "practicing barbering," and "practice of barbering" do not include threading, which involves removing unwanted hair from a person by using a piece of thread that is looped around the hair and pulled to remove the hair and includes the incidental trimming of eyebrow hair.

SECTION 10.003. Section 1601.256(a), Occupations Code, is amended to read as follows:

(a) A person holding a barber technician license may:

(1) perform only barbering as defined by Sections 1601.002(1)(C), (D), (F), and (G)[~~, and (I)~~]; and

(2) practice only at a location that has been issued a barbershop permit.

SECTION 10.004. Section 1601.353, Occupations Code, is amended to read as follows:

Sec. 1601.353. REQUIRED FACILITIES AND EQUIPMENT. The department may approve an application for a permit for a barber school if the school meets the health and safety standards established by the commission. The commission may not establish building or facility standards that are not related to health and safety, including a requirement that a facility have a specific:

(1) square footage of floor space [~~is located in:~~

[~~(A) a municipality with a population of more than 50,000 that has a building of permanent construction containing at least 2,000 square feet of floor space, including classroom and practical areas, covered in a hard surface floor covering of tile or other suitable material; or~~

[~~(B) a municipality with a population of 50,000 or less or an unincorporated area of a county that has a building of permanent construction containing at least 1,000 square feet of floor space, including classroom and practical areas, covered in a hard surface floor covering of tile or other suitable material~~];

(2) number of chairs [~~has the following equipment:~~

[~~(A) at least 10 student workstations that include a chair that reclines, a back bar, and a wall mirror;~~

[~~(B) a sink behind every two workstations;~~

[~~(C) adequate lighting for each room;~~

[~~(D) at least 10 classroom chairs and other materials necessary to teach the required subjects; and~~

[~~(E) access to permanent restrooms and adequate drinking fountain facilities~~]; or [~~and~~]

(3) number of sinks [~~meets any other requirement set by the commission~~].

SECTION 10.005. Section 1602.002(a), Occupations Code, is amended to read as follows:

(a) In this chapter, "cosmetology" means the practice of performing or offering to perform for compensation any of the following services:

(1) treating a person's hair by:

(A) providing any method of treatment as a primary service, including arranging, beautifying, bleaching, cleansing, coloring, cutting, dressing, dyeing, processing, [~~shampooing,~~] shaping, singeing, straightening, styling, tinting, or waving;

(B) providing a necessary service that is preparatory or ancillary to a service under Paragraph (A), including bobbing, clipping, cutting, or trimming a person's hair or shaving a person's neck with a safety razor; or

(C) cutting the person's hair as a separate and independent service for which a charge is directly or indirectly made separately from charges for any other service;

(2) [~~shampooing and conditioning a person's hair;~~

[~~(3)~~] servicing a person's wig or artificial hairpiece on a person's head or on a block after the initial retail sale and servicing in any manner listed in Subdivision (1);

(3) [~~(4)~~] treating a person's mustache or beard by arranging, beautifying, coloring, processing, styling, trimming, or shaving with a safety razor;

(4) [~~(5)~~] cleansing, stimulating, or massaging a person's scalp, face, neck, or arms:

(A) by hand or by using a device, apparatus, or appliance; and

(B) with or without the use of any cosmetic preparation, antiseptic, tonic, lotion, or cream;

(5) [~~(6)~~] beautifying a person's face, neck, or arms using a cosmetic preparation, antiseptic, tonic, lotion, powder, oil, clay, cream, or appliance;

(6) [~~(7)~~] administering facial treatments;

(7) [~~(8)~~] removing superfluous hair from a person's body using depilatories, preparations or chemicals, tweezers, or other devices or appliances of any kind or description [~~tweezing techniques~~];

(8) [~~(9)~~] treating a person's nails by:

(A) cutting, trimming, polishing, tinting, coloring, cleansing, or manicuring; or

(B) attaching false nails;

(9) [~~(10)~~] massaging, cleansing, treating, or beautifying a person's hands or feet;

(10) [~~(11)~~] applying semipermanent, thread-like extensions composed of single fibers to a person's eyelashes; or

(11) [~~(12)~~] weaving a person's hair.

SECTION 10.006. Subchapter A, Chapter 1602, Occupations Code, is amended by adding Section 1602.0025 to read as follows:

Sec. 1602.0025. SERVICES NOT CONSTITUTING COSMETOLOGY. Notwithstanding Section 1602.002(a), "cosmetology" does not include threading, which involves removing unwanted hair from a person by using a piece of thread that is looped around the hair and pulled to remove the hair and includes the incidental trimming of eyebrow hair.

SECTION 10.007. Section 1602.255(c), Occupations Code, is amended to read as follows:

(c) The commission shall adopt rules for the licensing of specialty instructors to teach specialty courses in the practice of cosmetology defined in Sections 1602.002(a)(5), (7), (8), and (10) [~~1602.002(a)(6), (8), (9), and (11)~~].

SECTION 10.008. Section 1602.256(a), Occupations Code, is amended to read as follows:

(a) A person holding a manicurist specialty license may perform only the practice of cosmetology defined in Section 1602.002(a)(8) or (9) [~~1602.002(a)(9) or (10)~~].

SECTION 10.009. Section 1602.257(a), Occupations Code, is amended to read as follows:

(a) A person holding an esthetician specialty license may perform only the practice of cosmetology defined in Sections 1602.002(a)(4), (5), (6), (7), and (10) [~~1602.002(a)(5), (6), (7), (8), and (11)~~].

SECTION 10.010. Section 1602.2571(a), Occupations Code, is amended to read as follows:

(a) A person holding a specialty license in eyelash extension application may perform only the practice of cosmetology defined in Section 1602.002(a)(10) [~~1602.002(a)(11)~~].

SECTION 10.011. Section 1602.259(a), Occupations Code, is amended to read as follows:

(a) A person holding a hair weaving specialty certificate may perform only the practice of cosmetology defined in Section 1602.002(a)(11) [~~Sections 1602.002(a)(2) and (12)~~].

SECTION 10.012. Section 1602.260(a), Occupations Code, is amended to read as follows:

(a) A person holding a wig specialty certificate may perform only the practice of cosmetology defined in Section 1602.002(a)(2) [~~1602.002(a)(3)~~].

SECTION 10.013. Section 1602.261(a), Occupations Code, is amended to read as follows:

(a) A person holding a manicurist/esthetician specialty license may perform only the practice of cosmetology defined in Sections 1602.002(a)(4) through (9) [~~1602.002(a)(5) through (10)~~].

SECTION 10.014. Section 1602.303, Occupations Code, is amended by amending Subsections (b) and (c) and adding Subsection (d) to read as follows:

(b) An application for a private beauty culture school license must be accompanied by the required license fee and inspection fee and:

(1) be on a form prescribed by the department;

(2) be verified by the applicant; and

(3) contain a statement that the building meets the health and safety standards established by the commission[~~:~~

[~~(A) is of permanent construction and is divided into at least two separate areas:~~

[~~(i) one area for instruction in theory; and~~

[~~(ii) one area for clinic work;~~

[~~(B) contains a minimum of:~~

[~~(i) 2,800 square feet of floor space if the building is located in a county with a population of more than 100,000; or~~

[~~(ii) 1,800 square feet of floor space if the building is located in a county with a population of 100,000 or less;~~

[~~(C) has access to permanent restrooms and adequate drinking fountain facilities; and~~

[~~(D) contains, or will contain before classes begin, the equipment established by commission rule as sufficient to properly instruct a minimum of 10 students~~].

(c) The applicant is entitled to a private beauty culture school license if:

(1) the department determines that the applicant is financially sound and capable of fulfilling the school's commitments for training;

(2) the applicant's facilities meet the health and safety standards established by the commission and pass an inspection conducted by the department under Section 1603.103; and

(3) the applicant has not committed an act that constitutes a ground for denial of a license.

(d) The commission may not establish building or facility standards that are not related to health and safety, including a requirement that a facility have a specific:

(1) square footage of floor space;

(2) number of chairs; or

(3) number of sinks.

SECTION 10.015. Section 1602.305(a), Occupations Code, is amended to read as follows:

(a) A person holding a specialty shop license may maintain an establishment in which only the practice of cosmetology as defined in Section 1602.002(a)(2), (5), (7), (8), or (10) [~~1602.002(a)(3), (6), (8), (9), or (11)~~] is performed.

SECTION 10.016. Section 1602.354(a), Occupations Code, is amended to read as follows:

(a) The commission will by rule recognize, prepare, or administer continuing education programs for the practice of cosmetology. Participation in the programs is mandatory for all license renewals [~~other than renewal of a shampoo specialty certificate~~].

SECTION 10.017. Section 1602.403(c), Occupations Code, is amended to read as follows:

(c) A person holding a beauty shop license or specialty shop license may not employ[~~:~~

[~~(1)~~] a person as an operator or specialist or lease to a person who acts as an operator or specialist unless the person holds a license or certificate under this chapter or under Chapter 1601[~~; or~~

[~~(2) a person to shampoo or condition a person's hair unless the person holds a shampoo apprentice permit or student permit~~].

SECTION 10.018. Section 1603.351, Occupations Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) Notwithstanding any other law, the commission may adopt rules to:

(1) authorize a school licensed under this chapter, Chapter 1601, or Chapter 1602 to account for any hours of instruction completed under those chapters on the basis of clock hours or credit hours; and

(2) establish standards for determining the equivalency and conversion of clock hours to credit hours and credit hours to clock hours.

SECTION 10.019. Section 1603.352(a), Occupations Code, is amended to read as follows:

(a) A person who holds a license, certificate, or permit issued under this chapter, Chapter 1601, or Chapter 1602 and who performs a barbering service described by Section 1601.002(1)(E) or (F) or a cosmetology service described by Section 1602.002(a)(8) or (9) [~~1602.002(a)(9) or (10)~~] shall, before performing the service, clean, disinfect, and sterilize with an autoclave or dry heat sterilizer or sanitize with an ultraviolet sanitizer, in accordance with the sterilizer or sanitizer manufacturer's instructions, each metal instrument, including metal nail clippers, cuticle pushers, cuticle nippers, and other metal instruments, used to perform the service.

SECTION 10.020. The following provisions of the Occupations Code are repealed:

(1) Section 1601.260(c);
(2) Section 1601.261;
(3) Section 1601.301(c);
(4) Section 1602.266(c);
(5) Section 1602.267;
(6) Section 1602.301(c); and
(7) Section 1602.456(b-1).

SECTION 10.021. On the effective date of this Act:

(1) a shampoo apprentice permit issued under former Section 1601.261 or 1602.267, Occupations Code, expires; and

(2) a shampoo specialty certificate issued under Chapter 1602 expires.

SECTION 10.022. As soon as practicable after the effective date of this Act, the Texas Commission of Licensing and Regulation shall adopt rules to implement Sections 1601.353 and 1602.303, Occupations Code, as amended by this article.

SECTION 10.023. (a) The changes in law made by this Act to Chapters 1601, 1602, and 1603, Occupations Code, do not affect the validity of a proceeding pending before a court or other governmental entity on the effective date of this Act.

(b) An offense or other violation of law committed under Chapter 1601, 1602, or 1603, Occupations Code, before the effective date of this Act is governed by the law in effect when the offense or violation was committed, and the former law is continued in effect for that purpose. For purposes of this subsection, an offense or violation was committed before the effective date of this Act if any element of the offense or violation occurred before that date.

ARTICLE 11. VOLUNTEER SECURITY SERVICES

SECTION 11.001. Subchapter N, Chapter 1702, Occupations Code, is amended by adding Section 1702.333 to read as follows:

Sec. 1702.333. PLACE OF RELIGIOUS WORSHIP; CERTAIN VOLUNTEERS. (a) In this section, "volunteer security services" means services or activities that are:

(1) regulated under this chapter; and

(2) provided without compensation or remuneration.

(b) This chapter does not apply to a person who is providing volunteer security services on the premises of a church, synagogue, or other established place of religious worship.

(c) While providing volunteer security services under Subsection (b), a person may not wear a uniform or badge that:

(1) contains the word "security"; or

(2) gives the person the appearance of being a peace officer, personal protection officer, or security officer.

ARTICLE 12. BINGO UNIT MANAGER LICENSE

SECTION 12.001. Section 2001.431(4), Occupations Code, is amended to read as follows:

(4) "Unit manager" means an individual who is [~~licensed under this subchapter to be~~] responsible for the revenues, authorized expenses, and inventory of a unit.

SECTION 12.002. The heading to Section 2001.437, Occupations Code, is amended to read as follows:

Sec. 2001.437. UNIT MANAGER[~~; LICENSE~~].

SECTION 12.003. Section 2001.437(c), Occupations Code, is amended to read as follows:

(c) [~~A person may not provide services as a unit manager to licensed authorized organizations that form a unit unless the person holds a unit manager license under this subchapter.~~] A person designated as an agent under Section 2001.438(b) is not a unit manager on account of that designation for purposes of this section.

SECTION 12.004. Sections 2001.437(d), (e), (f), and (g), Occupations Code, are repealed.

SECTION 12.005. The changes in law made by this article do not affect the right of any individual licensed before the effective date of this Act to engage in the applicable occupation for the remainder of the term for which the license was issued.

ARTICLE 13. AGRICULTURAL, INDUSTRIAL, AND WILDLIFE CONTROL FIREWORKS PERMIT

SECTION 13.001. Section 2154.152(a), Occupations Code, is amended to read as follows:

(a) A person must be a licensed distributor if the person:

(1) imports into this state or stores, possesses, and sells Fireworks 1.3G to a licensed pyrotechnic operator or distributor or to a single public display or[~~,~~] multiple public display[~~, or agricultural, industrial, and wildlife control fireworks~~] permit holder; or

(2) imports or stores, possesses, and sells Fireworks 1.4G to a licensed jobber, retailer, or distributor in this state.

SECTION 13.002. Section 2154.251(b), Occupations Code, is amended to read as follows:

(b) A person may not manufacture, distribute, sell, or use fireworks in a public fireworks display [~~or for agricultural, industrial, or wildlife control purposes~~] without an appropriate license or permit. Fireworks manufactured, distributed, sold, or used without an appropriate license or permit are illegal fireworks.

SECTION 13.003. Section 2154.203, Occupations Code, is repealed.

ARTICLE 14. MOTOR VEHICLE TOWING, BOOTING, AND STORAGE

SECTION 14.001. Section 2303.058, Occupations Code, is amended to read as follows:

Sec. 2303.058. ADVISORY BOARD. The Towing and[~~,~~] Storage[~~, and Booting~~] Advisory Board under Chapter 2308 shall advise the commission in adopting vehicle storage rules under this chapter.

SECTION 14.002. Section 2308.002, Occupations Code, is amended by amending Subdivisions (1) and (8-a) and adding Subdivisions (5-b) and (8-b) to read as follows:

(1) "Advisory board" means the Towing and[~~,~~] Storage[~~, and Booting~~] Advisory Board.

(5-b) "Local authority" means a state or local governmental entity authorized to regulate traffic or parking and includes:

(A) an institution of higher education; and

(B) a political subdivision, including a county, municipality, special district, junior college district, housing authority, or other political subdivision of this state.

(8-a) "Peace officer" means a person who is a peace officer under Article 2.12, Code of Criminal Procedure.

(8-b) "Private property tow" means any tow of a vehicle authorized by a parking facility owner without the consent of the owner or operator of the vehicle.

SECTION 14.003. Effective September 1, 2018, Section 2308.004, Occupations Code, is amended to read as follows:

Sec. 2308.004. EXEMPTION. Sections 2308.151(b), 2308.2085, 2308.257, and 2308.258 do [~~(a) This chapter does~~] not apply to:

(1) a person who, while exercising a statutory or contractual lien right with regard to a vehicle:

(A) [~~(1)~~] installs or removes a boot; or

(B) [~~(2)~~] controls, installs, or directs the installation and removal of one or more boots; or[~~.~~]

(2) [~~(b) This chapter does not apply to~~] a commercial office building owner or manager who installs or removes a boot in the building's parking facility.

SECTION 14.004. Section 2308.051(a), Occupations Code, as amended by Chapters 457 (H.B. 2548) and 845 (S.B. 2153), Acts of the 81st Legislature, Regular Session, 2009, is reenacted and amended to read as follows:

(a) The advisory board consists of the following members appointed by the presiding officer of the commission with the approval of the commission:

(1) one representative of a towing company operating in a county with a population of less than one million;

(2) one representative of a towing company operating in a county with a population of one million or more;

(3) one representative [~~owner~~] of a vehicle storage facility located in a county with a population of less than one million;

(4) one representative [~~owner~~] of a vehicle storage facility located in a county with a population of one million or more;

(5) one parking facility representative [~~owner~~];

(6) one peace officer [~~law enforcement officer~~] from a county with a population of less than one million;

(7) one peace officer [~~law enforcement officer~~] from a county with a population of one million or more;

(8) one representative of a member insurer, as defined by Section 462.004, Insurance Code, of the Texas Property and Casualty Insurance Guaranty Association who writes [~~property and casualty insurers who write~~] automobile insurance in this state; and

[~~(9) one representative of a booting company~~]

(9) one person who operates both a towing company and a vehicle storage facility [~~public member~~].

SECTION 14.005. Effective September 1, 2018, Section 2308.151, Occupations Code, is amended to read as follows:

Sec. 2308.151. LICENSE OR LOCAL AUTHORIZATION REQUIRED. (a) Unless the person holds an appropriate license under this subchapter, a person may not:

(1) perform towing operations; or

(2) operate a towing company.[~~;~~]

(b) Unless prohibited by a local authority under Section 2308.2085, a person may:

(1) [~~(3)~~] perform booting operations; and [~~or~~]

(2) [~~(4)~~] operate a booting company.

SECTION 14.006. Section 2308.205(a), Occupations Code, is amended to read as follows:

(a) A towing company that makes a nonconsent tow shall tow the vehicle to a vehicle storage facility that is operated by a person who holds a license to operate the facility under Chapter 2303, unless:

(1) the towing company agrees to take the vehicle to a location designated by the vehicle's owner; or

(2) the vehicle is towed under Section 2308.259(b).

SECTION 14.007. Section 2308.2085, Occupations Code, is amended to read as follows:

Sec. 2308.2085. LOCAL AUTHORITY REGULATION OF [~~MUNICIPAL ORDINANCE REGULATING~~] BOOTING ACTIVITIES [~~COMPANIES AND OPERATORS~~]. (a) A local authority [~~municipality~~] may regulate, in areas in which the entity regulates parking or traffic, [~~adopt an ordinance that is identical to the~~] booting activities, including:

(1) operation of booting companies and operators that operate on a parking facility;

(2) any permit and sign requirements in connection with the booting of a vehicle; and

(3) [~~provisions in this chapter or that imposes additional requirements that exceed the minimum standards of the booting provisions in this chapter but may not adopt an ordinance that conflicts with the booting provisions in this chapter.~~

[~~(b) A municipality may regulate the~~] fees that may be charged in connection with the booting of a vehicle[~~, including associated parking fees~~].

(b) Regulations adopted under this section must:

(1) incorporate the requirements of Sections 2308.257 and 2308.258;

(2) include procedures for vehicle owners and operators to file a complaint with the local authority regarding a booting company or operator; and

(3) provide for the imposition of a penalty on a booting company or operator for a violation of Section 2308.258 [~~(c) A municipality may require booting companies to obtain a permit to operate in the municipality~~].

SECTION 14.008. Section 2308.255, Occupations Code, is amended to read as follows:

Sec. 2308.255. TOWING COMPANY'S [~~OR BOOT OPERATOR'S~~] AUTHORITY TO TOW [~~REMOVE~~] AND STORE [~~OR BOOT~~] UNAUTHORIZED VEHICLE. (a) A towing company [~~that is insured as provided by Subsection (c)~~] may, without the consent of an owner or operator of an unauthorized vehicle, tow the vehicle to [~~remove~~] and store the vehicle at a vehicle storage facility at the expense of the owner or operator of the vehicle if:

(1) the towing company has received written verification from the parking facility owner that:

(A) [~~the parking facility owner has installed~~] the signs required by Section 2308.252(a)(1) are posted; or

(B) the owner or operator received notice under Section 2308.252(a)(2) or the parking facility owner gave notice complying with Section 2308.252(a)(3); or

(2) on request the parking facility owner provides to the owner or operator of the vehicle information on the name of the towing company and vehicle storage facility that will be used to tow [~~remove~~] and store the vehicle and the vehicle is:

(A) left in violation of Section 2308.251;

(B) in or obstructing a portion of a paved driveway; or

(C) on a public roadway used for entering or exiting the facility and the tow [~~removal~~] is approved by a peace officer.

(b) A towing company may not tow [~~remove~~] an unauthorized vehicle except under:

(1) this chapter;

(2) a municipal ordinance that complies with Section 2308.208; or

(3) the direction of:

(A) a peace officer; or

(B) the owner or operator of the vehicle.

(c) Only a towing company that is insured against liability for property damage incurred in towing a vehicle may tow [~~remove~~] and store an unauthorized vehicle under this section.

(d) A towing company may tow [~~remove~~] and store a vehicle under Subsection (a) [~~and a boot operator may boot a vehicle under Section 2308.257~~] only if the parking facility owner:

(1) requests that the towing company tow [~~remove~~] and store [~~or that the boot operator boot~~] the specific vehicle; or

(2) has a standing written agreement with the towing company [~~or boot operator~~] to enforce parking restrictions in the parking facility.

(e) When a tow truck is used for a nonconsent tow authorized by a peace officer under Section 545.3051, Transportation Code, the operator of the tow truck and the towing company are agents of the law enforcement agency and are subject to Section 545.3051(e), Transportation Code.

SECTION 14.009. Section 2308.257(b), Occupations Code, is amended to read as follows:

(b) A boot operator that installs a boot on a vehicle must affix a conspicuous notice to the vehicle's front windshield or driver's side window stating:

(1) that the vehicle has been booted and damage may occur if the vehicle is moved;

(2) the date and time the boot was installed;

(3) the name, address, and telephone number of the booting company;

(4) a telephone number that is answered 24 hours a day to enable the owner or operator of the vehicle to arrange for removal of the boot;

(5) the amount of the fee for removal of the boot and any associated parking fees; [~~and~~]

(6) notice of the right of a vehicle owner or vehicle operator to a hearing under Subchapter J; and

(7) in the manner prescribed by the local authority, notice of the procedure to file a complaint with the local authority for violation of this chapter by a boot operator.

SECTION 14.010. Subchapter F, Chapter 2308, Occupations Code, is amended by adding Sections 2308.258 and 2308.259 to read as follows:

Sec. 2308.258. BOOT REMOVAL. (a) A booting company responsible for the installation of a boot on a vehicle shall remove the boot not later than one hour after the time the owner or operator of the vehicle contacts the company to request removal of the boot.

(b) A booting company shall waive the amount of the fee for removal of a boot, excluding any associated parking fees, if the company fails to have the boot removed within the time prescribed by Subsection (a).

(c) A booting company responsible for the installation of more than one boot on a vehicle may not charge a total amount for the removal of the boots that is greater than the amount of the fee for the removal of a single boot.

Sec. 2308.259. TOWING COMPANY'S AUTHORITY TO TOW VEHICLE FROM UNIVERSITY PARKING FACILITY. (a) In this section:

(1) "Special event" means a university-sanctioned, on-campus activity, including parking lot maintenance.

(2) "University" means:

(A) a public senior college or university, as defined by Section 61.003, Education Code; or

(B) a private or independent institution of higher education, as defined by Section 61.003, Education Code.

(b) Subject to Subsection (c), an individual designated by a university may, to facilitate a special event, request that a vehicle parked at a university parking facility be towed to another location on the university campus.

(c) A vehicle may not be towed under Subsection (b) unless signs complying with this section are installed on the parking facility for the 72 hours preceding towing enforcement for the special event and for 48 hours after the conclusion of the special event.

(d) Each sign required under Subsection (c) must:

(1) contain:

(A) a statement of:

(i) the nature of the special event; and

(ii) the dates and hours of towing enforcement; and

(B) the number, including the area code, of a telephone that is answered 24 hours a day to identify the location of a towed vehicle;

(2) face and be conspicuously visible to the driver of a vehicle that enters the facility;

(3) be located:

(A) on the right or left side of each driveway or curb-cut through which a vehicle can enter the facility, including an entry from an alley abutting the facility; or

(B) at intervals along the entrance so that no entrance is farther than 25 feet from a sign if:

(i) curbs, access barriers, landscaping, or driveways do not establish definite vehicle entrances onto a parking facility from a public roadway other than an alley; and

(ii) the width of an entrance exceeds 35 feet;

(4) be made of weather-resistant material;

(5) be at least 18 inches wide and 24 inches tall;

(6) be mounted on a pole, post, wall, or free-standing board; and

(7) be installed so that the bottom edge of the sign is no lower than two feet and no higher than six feet above ground level.

(e) If a vehicle is towed under Subsection (b), personnel must be available to:

(1) release the vehicle within two hours after a request for release of the vehicle; and

(2) accept any payment required for the release of the vehicle.

(f) A university may not charge a fee for a tow under Subsection (b) that exceeds 75 percent of the private property tow fee established under Section 2308.0575.

(g) A vehicle towed under Subsection (b) that is not claimed by the vehicle owner or operator within 48 hours after the conclusion of the special event may only be towed:

(1) without further expense to the vehicle owner or operator; and

(2) to another location on the university campus.

(h) The university must notify the owner or operator of a vehicle towed under Subsection (b) of the right of the vehicle owner or operator to a hearing under Subchapter J.

SECTION 14.011. The heading to Subchapter I, Chapter 2308, Occupations Code, is amended to read as follows:

SUBCHAPTER I. REGULATION OF TOWING COMPANIES[~~, BOOTING COMPANIES,~~] AND PARKING FACILITY OWNERS

SECTION 14.012. (a) The following provisions of the Occupations Code are repealed:

(1) Section 2308.002(9); and

(2) Section 2308.103(d).

(b) Effective September 1, 2018, Sections 2308.1555 and 2308.1556, Occupations Code, are repealed.

SECTION 14.013. (a) On September 1, 2018, a license issued under former Section 2308.1555 or 2308.1556, Occupations Code, expires.

(b) The changes in law made by this article to Section 2308.051(a), Occupations Code, regarding the qualifications for a member of the Towing and Storage Advisory Board do not affect the entitlement of a member serving on the board immediately before the effective date of this article to continue to serve and function as a member of the board for the remainder of the member's term. When board vacancies occur on or after the effective date of this article, the presiding officer of the Texas Commission of Licensing and Regulation shall appoint new members to the board in a manner that reflects the changes in law made by this article.

(c) The changes in law made by this article to Section 2308.255, Occupations Code, do not apply to the booting of a vehicle pursuant to a standing written agreement between a booting company and a parking facility owner entered into before the effective date of this article. The booting of a vehicle pursuant to a standing written agreement entered into before the effective date of this article is governed by the law as it existed immediately before the effective date of this article, and that law is continued in effect for that purpose.

SECTION 14.014. Except as otherwise provided by this article, this article takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this article takes effect September 1, 2017.

ARTICLE 15. CERTAIN LOCAL TRANSPORTATION ENTITIES AND CONTRACTS

SECTION 15.001. (a) This article applies only to a county board of education, board of county trustees, or office of county school superintendent that provides, without competitive bidding, transportation services in a county with a population of 2.2 million or more.

(b) A contract for transportation services is subject to competitive bidding, and if on the effective date of this Act there is an existing contract for transportation services to which a county board of education, board of county trustees, or office of county school superintendent is a party, it shall be wound down in the manner described by Subsections (c)-(r) of this section.

(c) Each county board of education, board of county school trustees, and office of county school superintendent in a county with a population of 2.2 million or more and that is adjacent to a county with a population of more than 800,000 is abolished effective November 15, 2017, unless the continuation of the county board of education, board of county school trustees, and office of county school superintendent is approved by a majority of voters at an election held on the November 2017 uniform election date in the county in which the county board of education, board of county school trustees, and office of county school superintendent are located. Subsections (d)-(s) of this section do not take effect in a county if the continuation of the county board of education, board of county school trustees, and office of county school superintendent is approved at the election held in the county under this subsection.

(d) Not later than November 15, 2017, a dissolution committee shall be formed for each county board of education or board of county school trustees to be abolished as provided by Subsection (c) of this section. The dissolution committee is responsible for all financial decisions for each county board of education or board of county school trustees abolished by this Act, including asset distribution and payment of all debt obligations.

(e) A dissolution committee required by this Act shall be appointed by the comptroller and include:

(1) one financial advisor;

(2) the superintendent of the participating component school district with the largest number of students in average daily attendance or the superintendent's designee;

(3) one certified public accountant;

(4) one auditor who holds a license or other professional credential; and

(5) one bond counsel who holds a license or other professional credential.

(f) A dissolution committee created under this Act is subject to the open meetings requirements under Chapter 551, Government Code, and public information requirements under Chapter 552, Government Code.

(g) Members of a dissolution committee may not receive compensation but are entitled to reimbursement for actual and necessary expenses incurred in performing the functions of the dissolution committee.

(h) Subject to the other requirements of this Act, the dissolution committee shall determine the manner in which all assets, liabilities, contracts, and services of the county board of education or board of county school trustees abolished by this Act are

divided, transferred, or discontinued. The dissolution committee shall create a sinking fund to deposit all money received in the abolishment of each county board of education or board of county school trustees for the payment of all debts of the county board of education or board of county school trustees.

(i) The dissolution committee shall continue providing transportation services to participating component school districts for the 2017-2018 school year. The dissolution committee shall maintain current operations and personnel needed to provide the transportation services.

(j) At the end of the 2017-2018 school year all school buses, vehicles, and bus service centers shall be transferred to participating component school districts in proportionate shares equal to the proportion that the membership in each district bears to total membership in the county as of September 1, 2018, at no cost to the districts.

(k) The dissolution committee may employ for the 2017-2018 school year one person to assist in the abolishment of the county board of education or board of county school trustees.

(l) On November 15, 2017, the participating component school district with the largest number of students in average daily attendance has the right of first refusal to buy, at fair market value, the administrative building of the county board of education or board of county school trustees.

(m) An ad valorem tax assessed by a county board of education or board of county school trustees shall continue to be assessed by the county on behalf of the board for the purpose of paying the principal of and interest on any bonds issued by the county board of education or board of county school trustees until all bonds are paid in full. This subsection applies only to a bond issued before the effective date of this Act for which the tax receipts were obligated. On payment of all bonds issued by the county board of education or board of county school trustees the ad valorem tax may not be assessed.

(n) In the manner provided by rule of the commissioner of education, the county shall collect and use any delinquent taxes imposed by or on behalf of the county board of education or board of county school trustees.

(o) The dissolution committee shall distribute the assets remaining after discharge of the liabilities of the county board of education or board of county school trustees to the component school districts in the county in proportionate shares equal to the proportion that the membership in each district bears to total membership in the county as of September 1, 2017. The dissolution committee shall liquidate board assets as necessary to discharge board liabilities and facilitate the distribution of assets. A person authorized by the dissolution committee shall execute any documents necessary to complete the transfer of assets, liabilities, or contracts.

(p) The dissolution committee shall encourage the component school districts to:

(1) continue sharing services received through the county board of education or board of county school trustees; and

(2) give preference to private sector contractors to continue services provided by the county board of education or board of county school trustees.

(q) The chief financial officer and financial advisor for the county board of education or board of county school trustees shall provide assistance to the dissolution committee in abolishing the county board of education or board of county school trustees.

(r) The Texas Education Agency shall provide assistance to a dissolution committee in the distribution of assets, liabilities, contracts, and services of a county board of education or board of county school trustees abolished by this Act.

(s) Any dissolution committee created as provided by this Act is abolished on the date all debt obligations of the county board of education or board of county school trustees are paid in full and all assets distributed to component school districts.

SECTION 15.002. Chapter 266 (S.B. 394), Acts of the 40th Legislature, Regular Session, 1927 (Article 2700a, Vernon's Texas Civil Statutes), is repealed.

ARTICLE 16. REGISTRATION OF MARKS

SECTION 16.001. Section 16.051(a), Business & Commerce Code, is amended to read as follows:

(a) A mark that distinguishes an applicant's goods or services from those of others is registrable unless the mark:

(1) consists of or comprises matter that is immoral, deceptive, or scandalous;

(2) consists of or comprises matter that may disparage, falsely suggest a connection with, or bring into contempt or disrepute:

(A) a person, whether living or dead;

(B) an institution;

(C) a belief; or

(D) a national symbol;

(3) depicts, comprises, or simulates the flag, the coat of arms, the seal, the geographic outline, or other insignia of:

(A) the United States;

(B) a state;

(C) a municipality; or

(D) a foreign nation;

(4) consists of or comprises the name, signature, or portrait of a particular living individual who has not consented in writing to the mark's registration;

(5) when used on or in connection with the applicant's goods or services:

(A) is merely descriptive or deceptively misdescriptive of the applicant's goods or services; or

(B) is primarily geographically descriptive or deceptively misdescriptive of the applicant's goods or services;

(6) is primarily merely a surname; or

(7) is likely to cause confusion or mistake, or to deceive, because, when used on or in connection with the applicant's goods or services, it resembles:

(A) a mark registered in this state; or

(B) an unabandoned mark registered with the United States Patent and Trademark Office.

ARTICLE 17. CONFLICT OF LAW; EFFECTIVE DATE

SECTION 17.001. To the extent of any conflict, this Act prevails over another Act of the 85th Legislature, Regular Session, 2017, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 17.002. To the extent of any conflict, Sections 1601.353 and 1602.303, Occupations Code, as amended by this Act, prevail over another Act of the 85th Legislature, Regular Session, 2017.

SECTION 17.003. It is the intent of the 85th Legislature, Regular Session, 2017, that the amendments made by this Act to Section 17.46(b), Business & Commerce Code, be harmonized as provided by Section 311.025(b), Government Code, as if the amendments were enacted without reference to each other.

SECTION 17.004. Except as otherwise provided by this Act, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 2065** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 4345

Senator Watson submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 4345** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

WATSON	E. RODRIGUEZ
MENÉNDEZ	WORKMAN
BUCKINGHAM	ISRAEL
SELIGER	URESTI
CAMPBELL	HOWARD
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 4345** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1553

Senator Menéndez submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1553** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

MENÉNDEZ	BERNAL
HUGHES	MINJAREZ
TAYLOR OF GALVESTON	MEYER
WEST	GOODEN
URESTI	DUTTON
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to certain requirements imposed on a sex offender who enters the premises of a school and to the refusal of entry to or ejection from school district property.

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

SECTION 1. Article 62.053(a), Code of Criminal Procedure, is amended to read as follows:

(a) Before a person who will be subject to registration under this chapter is due to be released from a penal institution, the Texas Department of Criminal Justice or the Texas Juvenile Justice Department shall determine the person's level of risk to the community using the sex offender screening tool developed or selected under Article 62.007 and assign to the person a numeric risk level of one, two, or three. Before releasing the person, an official of the penal institution shall:

(1) inform the person that:

(A) not later than the later of the seventh day after the date on which the person is released or after the date on which the person moves from a previous residence to a new residence in this state or not later than the first date the applicable local law enforcement authority by policy allows the person to register or verify registration, the person must register or verify registration with the local law enforcement authority in the municipality or county in which the person intends to reside;

(B) not later than the seventh day after the date on which the person is released or the date on which the person moves from a previous residence to a new residence in this state, the person must, if the person has not moved to an intended residence, report to the applicable entity or entities as required by Article 62.051(h) or (j) or 62.055(e);

(C) not later than the seventh day before the date on which the person moves to a new residence in this state or another state, the person must report in person to the local law enforcement authority designated as the person's primary

registration authority by the department and to the juvenile probation officer, community supervision and corrections department officer, or parole officer supervising the person;

(D) not later than the 10th day after the date on which the person arrives in another state in which the person intends to reside, the person must register with the law enforcement agency that is identified by the department as the agency designated by that state to receive registration information, if the other state has a registration requirement for sex offenders;

(E) not later than the 30th day after the date on which the person is released, the person must apply to the department in person for the issuance of an original or renewal driver's license or personal identification certificate and a failure to apply to the department as required by this paragraph results in the automatic revocation of any driver's license or personal identification certificate issued by the department to the person;

(F) the person must notify appropriate entities of any change in status as described by Article 62.057; [~~and~~]

(G) certain types of employment are prohibited under Article 62.063 for a person with a reportable conviction or adjudication for a sexually violent offense involving a victim younger than 14 years of age occurring on or after September 1, 2013; and

(H) if the person enters the premises of a school as described by Article 62.064 and is subject to the requirements of that article, the person must immediately notify the administrative office of the school of the person's presence and the person's registration status under this chapter;

(2) require the person to sign a written statement that the person was informed of the person's duties as described by Subdivision (1) or Subsection (g) or, if the person refuses to sign the statement, certify that the person was so informed;

(3) obtain the address or, if applicable, a detailed description of each geographical location where the person expects to reside on the person's release and other registration information, including a photograph and complete set of fingerprints; and

(4) complete the registration form for the person.

SECTION 2. Article 62.058, Code of Criminal Procedure, is amended by adding Subsection (g) to read as follows:

(g) A local law enforcement authority who provides a person with a registration form for verification as required by this chapter shall include with the form a statement and, if applicable, a description of the person's duty to provide notice under Article 62.064.

SECTION 3. Subchapter B, Chapter 62, Code of Criminal Procedure, is amended by adding Article 62.064 to read as follows:

Art. 62.064. ENTRY ONTO SCHOOL PREMISES; NOTICE REQUIRED. (a) In this article:

(1) "Premises" means a building or portion of a building and the grounds on which the building is located, including any public or private driveway, street, sidewalk or walkway, parking lot, or parking garage on the grounds.

(2) "School" has the meaning assigned by Section 481.134, Health and Safety Code.

(b) A person subject to registration under this chapter who enters the premises of any school in this state during the standard operating hours of the school shall immediately notify the administrative office of the school of the person's presence on the premises of the school and the person's registration status under this chapter. The office may provide a chaperon to accompany the person while the person is on the premises of the school.

(c) The requirements of this article:

(1) are in addition to any requirement associated with the imposition of a child safety zone on the person under Section 508.187, Government Code, or Article 42A.453 of this code; and

(2) do not apply to:

(A) a student enrolled at the school;

(B) a student from another school participating at an event at the school; or

(C) a person who has entered into a written agreement with the school that exempts the person from those requirements.

SECTION 4. Section 37.001(a), Education Code, as amended by Chapters 487 (S.B. 1541) and 1409 (S.B. 1114), Acts of the 83rd Legislature, Regular Session, 2013, is reenacted and amended to read as follows:

(a) The board of trustees of an independent school district shall, with the advice of its district-level committee established under Subchapter F, Chapter 11, adopt a student code of conduct for the district. The student code of conduct must be posted and prominently displayed at each school campus or made available for review at the office of the campus principal. In addition to establishing standards for student conduct, the student code of conduct must:

(1) specify the circumstances, in accordance with this subchapter, under which a student may be removed from a classroom, campus, disciplinary alternative education program, or vehicle owned or operated by the district;

(2) specify conditions that authorize or require a principal or other appropriate administrator to transfer a student to a disciplinary alternative education program;

(3) outline conditions under which a student may be suspended as provided by Section 37.005 or expelled as provided by Section 37.007;

(4) specify that consideration will be given, as a factor in each decision concerning suspension, removal to a disciplinary alternative education program, expulsion, or placement in a juvenile justice alternative education program, regardless of whether the decision concerns a mandatory or discretionary action, to:

(A) self-defense;

(B) intent or lack of intent at the time the student engaged in the conduct;

(C) a student's disciplinary history; or

(D) a disability that substantially impairs the student's capacity to appreciate the wrongfulness of the student's conduct;

(5) provide guidelines for setting the length of a term of:

(A) a removal under Section 37.006; and

(B) an expulsion under Section 37.007;

(6) address the notification of a student's parent or guardian of a violation of the student code of conduct committed by the student that results in suspension, removal to a disciplinary alternative education program, or expulsion;

(7) prohibit bullying, harassment, and making hit lists and ensure that district employees enforce those prohibitions; [~~and~~]

(8) provide, as appropriate for students at each grade level, methods, including options, for:

(A) managing students in the classroom, on school grounds, and on a vehicle owned or operated by the district;

(B) disciplining students; and

(C) preventing and intervening in student discipline problems, including bullying, harassment, and making hit lists; and

(9) include an explanation of the provisions regarding refusal of entry to or ejection from district property under Section 37.105, including the appeal process established under Section 37.105(h).

SECTION 5. Section 37.105, Education Code, is amended to read as follows:

Sec. 37.105. UNAUTHORIZED PERSONS: REFUSAL OF ENTRY, EJECTION, IDENTIFICATION. (a) A school administrator, school resource officer, or school district peace officer [~~The board of trustees~~] of a school district [~~or its authorized representative~~] may refuse to allow a person [~~without legitimate business~~] to enter on or [~~property under the board's control and~~] may eject a [~~any undesirable~~] person from [~~the~~] property under the district's control if the person refuses [~~on the person's refusal~~] to leave peaceably on request and:

(1) the person poses a substantial risk of harm to any person; or

(2) the person behaves in a manner that is inappropriate for a school setting and:

(A) the administrator, resource officer, or peace officer issues a verbal warning to the person that the person's behavior is inappropriate and may result in the person's refusal of entry or ejection; and

(B) the person persists in that behavior.

(b) Identification may be required of any person on the property.

(c) Each school district shall maintain a record of each verbal warning issued under Subsection (a)(2)(A), including the name of the person to whom the warning was issued and the date of issuance.

(d) At the time a person is refused entry to or ejected from a school district's property under this section, the district shall provide to the person written information explaining the appeal process established under Subsection (h).

(e) If a parent or guardian of a child enrolled in a school district is refused entry to the district's property under this section, the district shall accommodate the parent or guardian to ensure that the parent or guardian may participate in the child's admission, review, and dismissal committee or in the child's team established under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), in accordance with federal law.

(f) The term of a person's refusal of entry to or ejection from a school district's property under this section may not exceed two years.

(g) A school district shall post on the district's Internet website and each district campus shall post on any Internet website of the campus a notice regarding the provisions of this section, including the appeal process established under Subsection (h).

(h) The commissioner shall adopt rules to implement this section, including rules establishing a process for a person to appeal to the board of trustees of the school district the decision under Subsection (a) to refuse the person's entry to or eject the person from the district's property.

SECTION 6. Articles 62.053 and 62.058, Code of Criminal Procedure, as amended by this Act, and Article 62.064, Code of Criminal Procedure, as added by this Act, apply to a person subject to registration under Chapter 62, Code of Criminal Procedure, for an offense committed or conduct that occurs before, on, or after September 1, 2017.

SECTION 7. Section 37.001(a), Education Code, as reenacted and amended by this Act, and Section 37.105, Education Code, as amended by this Act, apply beginning with the 2017-2018 school year.

SECTION 8. (a) Except as provided by Subsection (b) of this section, this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

(b) Articles 62.053 and 62.058, Code of Criminal Procedure, as amended by this Act, and Article 62.064, Code of Criminal Procedure, as added by this Act, take effect September 1, 2017.

The Conference Committee Report on **SB 1553** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1003

Senator West submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1003** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

WEST	CAPRIGLIONE
HANCOCK	LONGORIA

ESTES	PARKER
NICHOLS	SIMMONS
	SPRINGER
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1003** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 463

Senator Seliger submitted the following Conference Committee Report:

Austin, Texas
May 26, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 463** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

SELIGER	HUBERTY
TAYLOR OF GALVESTON	GUILLEN
TAYLOR OF COLLIN	GOODEN
BETTENCOURT	WORKMAN
	K. KING
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the use of individual graduation committees to satisfy certain public high school graduation requirements and other alternative methods to satisfy certain public high school graduation requirements.

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

SECTION 1. Section 12.104, Education Code, is amended by amending Subsection (b-2) and adding Subsection (b-3) to read as follows:

(b-2) An open-enrollment charter school is subject to the requirement to establish an individual graduation committee under Section 28.0258. This subsection expires September 1, 2019 [~~2017~~].

(b-3) An open-enrollment charter school is subject to the graduation qualification procedure established by the commissioner under Section 28.02541. This subsection expires September 1, 2019.

SECTION 2. Section 28.025(c-6), Education Code, is amended to read as follows:

(c-6) Notwithstanding Subsection (c), a person may receive a diploma if the person is eligible for a diploma under Section 28.0258. This subsection expires September 1, 2019 [~~2017~~].

SECTION 3. Subchapter B, Chapter 28, Education Code, is amended by adding Section 28.02541 to read as follows:

Sec. 28.02541. DIPLOMA FOR CERTAIN STUDENTS WHO ENTERED NINTH GRADE BEFORE 2011-2012 SCHOOL YEAR. (a) This section applies only to a student who:

(1) entered the ninth grade before the 2011-2012 school year;

(2) successfully completed the curriculum requirements for high school graduation applicable to the student when the student entered the ninth grade;

(3) has not performed satisfactorily on an assessment instrument or a part of an assessment instrument required for high school graduation, including an alternate assessment instrument offered under Section 39.025(c-1); and

(4) has been administered the assessment instrument or the part of the assessment instrument for which the student has not performed satisfactorily at least three times.

(b) Notwithstanding the requirements under this subchapter, the commissioner by rule shall establish a procedure to determine whether a student subject to this section may qualify to graduate and receive a high school diploma as provided by this section.

(c) In adopting rules under this section, the commissioner:

(1) shall designate the school district in which a student is enrolled or was last enrolled to make the decision regarding whether the student qualifies to graduate and receive a high school diploma; and

(2) shall establish criteria for school districts to develop recommendations for alternative requirements by which a student subject to this section may qualify to graduate and receive a high school diploma.

(d) In adopting rules under Subsection (c)(2), the commissioner may authorize as an alternative requirement:

(1) an alternative assessment instrument and performance standard for that assessment instrument;

(2) work experience; or

(3) military or other relevant life experience.

(e) A school district's decision regarding whether the student qualifies to graduate and receive a high school diploma is final and may not be appealed.

(f) The commissioner shall adopt rules to administer this section.

(g) This section expires September 1, 2019.

SECTION 4. Effective September 1, 2018, Section 28.0258(e), Education Code, is amended to read as follows:

(e) To be eligible to graduate and receive a high school diploma under this section, a student must successfully complete the curriculum requirements required for high school graduation[~~:~~

[~~(1)~~] identified by the State Board of Education under Section 28.025(a)[~~; or~~

[~~(2) as otherwise provided by the transition plan adopted by the commissioner under Section 28.025(h)~~].

SECTION 5. Section 28.0258(l), Education Code, is amended to read as follows:

(l) This section expires September 1, 2019 [~~2017~~].

SECTION 6. The heading to Section 28.0259, Education Code, is amended to read as follows:

Sec. 28.0259. SCHOOL DISTRICT REPORTING REQUIREMENTS FOR STUDENTS GRADUATING BASED ON INDIVIDUAL GRADUATION COMMITTEE REVIEW PROCESS.

SECTION 7. Section 28.0259(e), Education Code, is amended to read as follows:

(e) This section expires September 1, 2019 [~~2018~~].

SECTION 8. Subchapter B, Chapter 28, Education Code, is amended by adding Section 28.02591 to read as follows:

Sec. 28.02591. TEXAS HIGHER EDUCATION COORDINATING BOARD REPORTING REQUIREMENTS FOR STUDENTS GRADUATING BASED ON INDIVIDUAL GRADUATION COMMITTEE REVIEW PROCESS. (a) The Texas Higher Education Coordinating Board, in coordination with the agency, shall collect longitudinal data relating to the post-graduation pursuits of each student who is awarded a diploma based on the determination of an individual graduation committee under Section 28.0258, as that section existed before September 1, 2019, including whether the student:

(1) enters the workforce;

(2) enrolls in an associate degree or certificate program at a public or private institution of higher education;

(3) enrolls in a bachelor's degree program at a public or private institution of higher education; or

(4) enlists in the armed forces of the United States or the Texas National Guard.

(b) Not later than December 1 of each even-numbered year, the Texas Higher Education Coordinating Board shall provide a report to the legislature that includes a summary compilation of the data collected under Subsection (a) that is presented in a manner that does not identify an individual student.

(c) The Texas Higher Education Coordinating Board and the agency shall adopt rules as necessary to implement this section.

SECTION 9. Section 39.025(a-2), Education Code, as added by Chapter 5 (S.B. 149), Acts of the 84th Legislature, Regular Session, 2015, is amended to read as follows:

(a-2) Notwithstanding Subsection (a), a student who has failed to perform satisfactorily on end-of-course assessment instruments in the manner provided under this section may receive a high school diploma if the student has qualified for graduation under Section 28.0258. This subsection expires September 1, 2019 [~~2017~~].

SECTION 10. Section 39.025(a-3), Education Code, is amended to read as follows:

(a-3) A student who, after retaking an end-of-course assessment instrument for Algebra I or English II, has failed to perform satisfactorily as required by Subsection (a), but who receives a score of proficient on the Texas Success Initiative (TSI) diagnostic assessment for the corresponding subject for which the student failed to perform satisfactorily on the end-of-course assessment instrument satisfies the requirement concerning the Algebra I or English II end-of-course assessment, as applicable. This subsection expires September 1, 2019 [~~2017~~].

SECTION 11. Effective September 1, 2019, Section 39.025, Education Code, is amended by amending Subsection (c-1) and adding Subsection (c-2) to read as follows:

(c-1) A school district may not administer an assessment instrument required for graduation administered under this section as this section existed:

(1) before September 1, 1999; or

(2) before amendment by Chapter 1312 (S.B. 1031), Acts of the 80th Legislature, Regular Session, 2007.

(c-2) A school district may administer to a student who failed to perform satisfactorily on an assessment instrument described by Subsection (c-1) [~~this subsection~~] an alternate assessment instrument designated by the commissioner. The commissioner shall determine the level of performance considered to be satisfactory on an alternate assessment instrument. The district may not administer to the student an assessment instrument or a part of an assessment instrument that assesses a subject that was not assessed in an assessment instrument applicable to the student described by Subsection (c-1) [~~required for graduation administered under this section as this section existed before September 1, 1999~~]. The commissioner shall make available to districts information necessary to administer the alternate assessment instrument authorized by this subsection. The commissioner's determination regarding designation of an appropriate alternate assessment instrument under this subsection and the performance required on the assessment instrument is final and may not be appealed.

SECTION 12. Except as otherwise provided by this Act, this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 463** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1731

Senator Birdwell submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1731** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BIRDWELL	MEYER
ESTES	DARBY
NICHOLS	LANDGRAF
TAYLOR OF GALVESTON	E. RODRIGUEZ
ZAFFIRINI	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
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relating to the repeal of laws governing certain state entities, including the functions of those entities, and to certain duties, responsibilities, and functions of the Texas Commission on Environmental Quality on the abolishment of certain of those entities.

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

SECTION 1. AGRICULTURE AND WILDLIFE RESEARCH AND MANAGEMENT ADVISORY COMMITTEE. (a) The Agriculture and Wildlife Research and Management Advisory Committee is abolished.

(b) Section 50.001, Agriculture Code, is amended to read as follows:

Sec. 50.001. PROGRAM. The Texas Agricultural Experiment Station[~~, in consultation with the Agriculture and Wildlife Research and Management Advisory Committee established under Section 88.216, Education Code,~~] shall develop and administer a program to finance agriculture and wildlife research that the Texas Agricultural Experiment Station determines to be of the highest scientific merit and to offer significant promise in providing new directions for long-term solutions to continued agriculture production, water availability, and wildlife habitat availability.

(c) Section 88.216, Education Code, is repealed.

SECTION 2. STATE OF TEXAS ANNIVERSARY REMEMBRANCE DAY MEDAL COMMITTEE. (a) The State of Texas Anniversary Remembrance Day Medal Committee is abolished.

(b) Chapter 3103, Government Code, is repealed.

SECTION 3. TEXAS BIOENERGY POLICY COUNCIL AND TEXAS BIOENERGY RESEARCH COMMITTEE. (a) The Texas Bioenergy Policy Council and the Texas Bioenergy Research Committee are abolished.

(b) Chapter 50D, Agriculture Code, is repealed.

(c) To the extent of any conflict, this section prevails over another Act of the 85th Legislature, Regular Session, 2017, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 4. BORDER SECURITY COUNCIL. (a) The Border Security Council is abolished.

(b) Section 421.0025, Government Code, is repealed.

SECTION 5. COLLEGE OPPORTUNITY ACT COMMITTEE. (a) The College Opportunity Act committee is abolished.

(b) Chapter 1233, Government Code, is repealed.

SECTION 6. TEXAS DISTINGUISHED SERVICE AWARDS COMMITTEE. (a) The Texas Distinguished Service Awards Committee is abolished.

(b) Chapter 3102, Government Code, is repealed.

SECTION 7. ADVISORY BOARD OF ECONOMIC DEVELOPMENT STAKEHOLDERS. (a) The advisory board of economic development stakeholders is abolished.

(b) Section 481.169, Government Code, is repealed.

SECTION 8. TEXAS EMISSIONS REDUCTION PLAN ADVISORY BOARD. (a) The Texas Emissions Reduction Plan Advisory Board is abolished on the date that the programs described by Section 386.252(a), Health and Safety Code, and the funding for those programs are continued in effect.

(a-1) In effectuating the abolition of the Texas Emissions Reduction Plan Advisory Board, the Texas Commission on Environmental Quality shall complete any unfinished work of the abolished advisory board, including conducting the annual review of programs required under Section 386.057(a), Health and Safety Code. In conducting that annual review, the commission shall consider the feasibility and benefits of implementing a governmental alternative fuel fleet grant program. If the commission determines that implementing a governmental alternative fuel fleet grant program is feasible and would contribute to emissions reductions, the commission may adopt rules governing the program and the eligibility of entities to receive grants from the fund created under Section 386.251, Health and Safety Code.

(a-2) Notwithstanding any other provision of law, except as provided by Subsection (b) of this section, the programs described by Section 386.252(a), Health and Safety Code, and the funding for those programs are continued until the last day of the state fiscal biennium during which the United States Environmental Protection Agency publishes in the Federal Register certification that, with respect to each national ambient air quality standard for ozone under 40 C.F.R. Section 81.344, the agency has, for each designated area under that section, designated the area as attainment or unclassifiable or approved a redesignation substitute making a finding of attainment for the area.

(b) To the extent of a conflict between Subsection (a-2) of this section and any change in law made by another provision of this section, the change in law made by the other provision of this section controls.

(b-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Subchapter B, Chapter 382, Health and Safety Code, is amended by adding Section 382.037 to read as follows:

Sec. 382.037. NOTICE IN TEXAS REGISTER REGARDING NATIONAL AMBIENT AIR QUALITY STANDARDS FOR OZONE. (a) This section applies only if:

(1) with respect to each active or revoked national ambient air quality standard for ozone referenced in 40 C.F.R. Section 81.344, the United States Environmental Protection Agency has, for each designated area referenced in that section:

(A) designated the area as attainment or unclassifiable/attainment; or

(B) approved a redesignation substitute making a finding of attainment for the area; and

(2) for each designated area described by Subdivision (1), with respect to an action of the United States Environmental Protection Agency described by Subdivision (1)(A) or (B):

(A) the action has been fully and finally upheld following judicial review or the limitations period to seek judicial review of the action has expired; and

(B) the rules under which the action was approved by the agency have been fully and finally upheld following judicial review or the limitations period to seek judicial review of those rules has expired.

(b) Not later than the 30th day after the date the conditions described by Subsection (a) have been met, the commission shall publish notice in the Texas Register that, with respect to each active or revoked national ambient air quality standard for ozone referenced in 40 C.F.R. Section 81.344, the United States Environmental Protection Agency has, for each designated area referenced in that section:

(1) designated the area as attainment or unclassifiable/attainment; or

(2) approved a redesignation substitute making a finding of attainment for the area.

(b-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 386.001(3), Health and Safety Code, is amended to read as follows:

(3) "Commission" means the Texas [~~Natural Resource Conservation~~] Commission on Environmental Quality.

(c) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 386.002, Health and Safety Code, is amended to read as follows:

Sec. 386.002. EXPIRATION. This chapter expires on the last day of the state fiscal biennium during which the commission publishes in the Texas Register the notice required by Section 382.037 [~~August 31, 2019~~].

(c-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 386.051(b), Health and Safety Code, is amended to read as follows:

(b) Under the plan, the commission and the comptroller shall provide grants or other funding for:

(1) the diesel emissions reduction incentive program established under Subchapter C, including for infrastructure projects established under that subchapter;

(2) the motor vehicle purchase or lease incentive program established under Subchapter D;

(3) the air quality research support program established under Chapter 387;

(4) the clean school bus program established under Chapter 390;

(5) the new technology implementation grant program established under Chapter 391;

(6) the regional air monitoring program established under Section 386.252(a);

(7) a health effects study as provided by Section 386.252(a);

(8) air quality planning activities as provided by Section 386.252(d) [~~386.252(a)~~];

(9) a contract with the Energy Systems Laboratory at the Texas A&M Engineering Experiment Station for computation of creditable statewide emissions reductions as provided by Section 386.252(a) [~~386.252(a)(14)~~];

(10) the clean fleet program established under Chapter 392;

(11) the alternative fueling facilities program established under Chapter 393;

(12) the natural gas vehicle grant program [~~and clean transportation triangle program~~] established under Chapter 394;

(13) other programs the commission may develop that lead to reduced emissions of nitrogen oxides, particulate matter, or volatile organic compounds in a nonattainment area or affected county;

(14) other programs the commission may develop that support congestion mitigation to reduce mobile source ozone precursor emissions; [~~and~~]

(15) the seaport and rail yard areas emissions reduction [~~drayage truck incentive~~] program established under Subchapter D-1;

(16) conducting research and other activities associated with making any necessary demonstrations to the United States Environmental Protection Agency to account for the impact of foreign emissions or an exceptional event;

(17) studies of or pilot programs for incentives for port authorities located in nonattainment areas or affected counties as provided by Section 386.252(a); and

(18) the governmental alternative fuel fleet grant program established under Chapter 395.

(c-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Sections 386.0515(a) and (c), Health and Safety Code, are amended to read as follows:

(a) In this section:

(1) "Agricultural[~~, "agricultural~~] product transportation" means the transportation of a raw agricultural product from the place of production using a heavy-duty truck to:

(A) [~~(1)~~] a nonattainment area;

(B) [~~(2)~~] an affected county;

(C) [~~(3)~~] a destination inside the clean transportation zone [~~triangle~~]; or

(D) [~~(4)~~] a county adjacent to a county described by Paragraph (B) [~~Subdivision (2)~~] or that contains an area described by Paragraph (A) or (C) [~~Subdivision (1) or (3)~~].

(2) "Clean transportation zone" has the meaning assigned by Section 393.001.

(c) The determining factor for eligibility for participation in a program established under Chapter 392 or [~~Chapter~~] 394[~~, as added by Chapter 892 (Senate Bill No. 385), Acts of the 82nd Legislature, Regular Session, 2011,~~] for a project relating to agricultural product transportation is the overall accumulative net reduction in emissions of oxides of nitrogen in a nonattainment area, an affected county, or the clean transportation zone [~~triangle~~].

(d) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Sections 386.057(a) and (b), Health and Safety Code, are amended to read as follows:

(a) The commission[~~, in consultation with the advisory board,~~] annually shall review programs established under the plan, including each project funded under the plan, the amount granted for the project, the emissions reductions attributable to the project, and the cost-effectiveness of the project.

(b) Not later than December 1, 2002, and not later than December 1 of each subsequent second year, the commission[~~, in consultation with the advisory board,~~] shall publish and submit to the legislature a biennial plan report. The report must include:

(1) the information included in the annual reviews conducted under Subsection (a);

(2) specific information for individual projects as required by Subsection (c);

(3) information contained in reports received under Sections 386.205, 388.003(e), 388.006, and 391.104; and

(4) a summary of the commission's activities under Section 386.052.

(d-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 386.103, Health and Safety Code, is amended by adding Subsection (c) to read as follows:

(c) To reduce the administrative burden for the commission and applicants, the commission may streamline the application process by:

(1) reducing data entry and the copying and recopying of applications; and

(2) developing, maintaining, and periodically updating a system to accept applications electronically through the commission's Internet website.

(d-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Sections 386.104(f) and (j), Health and Safety Code, are amended to read as follows:

(f) A proposed retrofit, repower, replacement, or add-on equipment project must document, in a manner acceptable to the commission, a reduction in emissions of oxides of nitrogen of at least 30 percent compared with the baseline emissions adopted by the commission for the relevant engine year and application. After study of available emissions reduction technologies and[~~,~~] after public notice and comment, [~~and after consultation with the advisory board,~~] the commission may revise the minimum percentage reduction in emissions of oxides of nitrogen required by this subsection to improve the ability of the program to achieve its goals.

(j) The executive director may [~~shall~~] waive any eligibility requirements established under this section on a finding of good cause, which may include a waiver for short lapses in registration or operation attributable to economic conditions, seasonal work, or other circumstances.

(e) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Sections 386.107, 386.114, and 386.115, Health and Safety Code, are amended to read as follows:

Sec. 386.107. ADJUSTMENT TO MAXIMUM COST-EFFECTIVENESS AMOUNT AND AWARD AMOUNT. After study of available emissions reduction technologies and costs and after public notice and comment, the commission[~~, in consultation with the advisory board,~~] may change the values of the maximum grant award criteria established in Section 386.106 to account for inflation or to improve the ability of the program to achieve its goals.

Sec. 386.114. MODIFICATION OF INCENTIVE EMISSIONS STANDARDS. After evaluating new technologies and after public notice and comment, the commission[~~, in consultation with the advisory board,~~] may change the incentive emissions standards established by Section 386.113 to improve the ability of the program to achieve its goals.

Sec. 386.115. MODIFICATION OF VEHICLE ELIGIBILITY. After evaluating the availability of vehicles meeting the emissions standards and after public notice and comment, the commission[~~, in consultation with the advisory board,~~] may expand the program to include other on-road vehicles, regardless of fuel type used, that meet the emissions standards, have a gross vehicle weight rating of greater than 8,500 pounds, and are purchased or leased in lieu of a new on-road diesel.

(e-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Sections 386.116(a), (b), and (c), Health and Safety Code, are amended to read as follows:

(a) In this section, "small business" means a business owned by a person who:

(1) owns and operates not more than five [~~two~~] vehicles, one of which is:

(A) an on-road diesel [~~with a pre-1994 engine model~~]; or

(B) a non-road diesel [~~with an engine with uncontrolled emissions~~]; and

(2) has owned the vehicle described by Subdivision (1)(A) or (B) for more than two years [~~one year~~].

(b) The commission [~~by rule~~] shall develop a method of providing fast and simple access to grants under this subchapter for a small business. The method must:

(1) create a separate small business grant program; or

(2) require the commission to give special consideration to small businesses when implementing another program established under this subchapter.

(c) The commission shall publicize and promote the availability of grants under this subchapter for small businesses [~~section~~] to encourage the use of vehicles that produce fewer emissions.

(e-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Chapter 386, Health and Safety Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. MOTOR VEHICLE PURCHASE OR LEASE INCENTIVE PROGRAM

Sec. 386.151. DEFINITIONS. In this subchapter:

(1) "Light-duty motor vehicle" means a motor vehicle with a gross vehicle weight rating of less than 10,000 pounds.

(2) "Motor vehicle" means a self-propelled device designed for transporting persons or property on a public highway that is required to be registered under Chapter 502, Transportation Code.

Sec. 386.152. APPLICABILITY. The provisions of this subchapter relating to a lessee do not apply to a person who rents or leases a light-duty motor vehicle for a term of 30 days or less.

Sec. 386.153. COMMISSION DUTIES REGARDING LIGHT-DUTY MOTOR VEHICLE PURCHASE OR LEASE INCENTIVE PROGRAM. (a) The commission shall develop a purchase or lease incentive program for new light-duty motor vehicles and shall adopt rules necessary to implement the program.

(b) The program shall authorize statewide incentives for the purchase or lease of new light-duty motor vehicles powered by compressed natural gas, liquefied petroleum gas, or hydrogen fuel cell or other electric drives for a purchaser or lessee who agrees to register and operate the vehicle in this state for a minimum period of time to be established by the commission.

(c) Only one incentive will be provided for each new light-duty motor vehicle. The incentive shall be provided to the lessee and not to the purchaser if the motor vehicle is purchased for the purpose of leasing the vehicle to another person.

(d) The commission by rule may revise the standards for the maximum unloaded vehicle weight rating and gross vehicle weight rating of an eligible vehicle to ensure that all of the vehicle weight configurations available under one general vehicle model may be eligible for an incentive.

Sec. 386.154. LIGHT-DUTY MOTOR VEHICLE PURCHASE OR LEASE INCENTIVE REQUIREMENTS. (a) A new light-duty motor vehicle powered by compressed natural gas or liquefied petroleum gas is eligible for a $5,000 incentive if the vehicle:

(1) has four wheels;

(2) was originally manufactured to comply with and has been certified by an original equipment manufacturer or intermediate or final state vehicle manufacturer as complying with, or has been altered to comply with, federal motor vehicle safety standards, state emissions regulations, and any additional federal or state regulations applicable to vehicles powered by compressed natural gas or liquefied petroleum gas;

(3) was manufactured for use primarily on public streets, roads, and highways;

(4) has a dedicated or bi-fuel compressed natural gas or liquefied petroleum gas fuel system:

(A) installed prior to first sale or within 500 miles of operation of the vehicle following first sale; and

(B) with a range of at least 125 miles as estimated, published, and updated by the United States Environmental Protection Agency;

(5) has, as applicable, a:

(A) compressed natural gas fuel system that complies with the:

(i) 2013 NFPA 52 Vehicular Gaseous Fuel Systems Code; and

(ii) American National Standard for Basic Requirements for Compressed Natural Gas Vehicle (NGV) Fuel Containers, commonly cited as "ANSI/CSA NGV2"; or

(B) liquefied petroleum gas fuel system that complies with:

(i) the 2011 NFPA 58 Liquefied Petroleum Gas Code; and

(ii) Section VII of the 2013 ASME Boiler and Pressure Vessel Code; and

(6) was acquired on or after September 1, 2013, or a later date established by the commission, by the person applying for the incentive under this subsection and for use or lease by that person and not for resale.

(b) If the commission determines that an updated version of a code or standard described by Subsection (a)(5) is more stringent than the version of the code or standard described by Subsection (a)(5), the commission by rule may provide that a vehicle for which a person applies for an incentive under Subsection (a) is eligible for the incentive only if the vehicle complies with the updated version of the code or standard.

(c) The incentive under Subsection (a) is limited to 1,000 vehicles for each state fiscal biennium.

(d) A new light-duty motor vehicle powered by an electric drive is eligible for a $2,500 incentive if the vehicle:

(1) has four wheels;

(2) was manufactured for use primarily on public streets, roads, and highways;

(3) has not been modified from the original manufacturer's specifications;

(4) has a maximum speed capability of at least 55 miles per hour;

(5) is propelled to a significant extent by an electric motor that draws electricity from a hydrogen fuel cell or from a battery that:

(A) has a capacity of not less than four kilowatt hours; and

(B) is capable of being recharged from an external source of electricity; and

(6) was acquired on or after September 1, 2013, or a later date as established by the commission, by the person applying for the incentive under this subsection and for use or lease by that person and not for resale.

(e) The incentive under Subsection (d) is limited to 2,000 vehicles for each state fiscal biennium.

Sec. 386.155. MANUFACTURER'S REPORT. (a) At the beginning of but not later than July 1 of each year preceding the vehicle model year, a manufacturer of motor vehicles, an intermediate or final state vehicle manufacturer, or a manufacturer of compressed natural gas or liquefied petroleum gas systems shall provide to the commission a list of the new vehicle or natural gas or liquefied petroleum gas systems models that the manufacturer intends to sell in this state during that model year that meet the incentive requirements established under Section 386.154. The manufacturer or installer may supplement the list provided to the commission under this section as necessary to include additional new vehicle models the manufacturer intends to sell in this state during the model year.

(b) The commission may supplement the information provided under Subsection (a) with additional information on available vehicle models, including information provided by manufacturers or installers of systems to convert new motor vehicles to operate on natural gas or liquefied petroleum gas before sale as a new vehicle or within 500 miles of operation of the vehicle following first sale.

Sec. 386.156. LIST OF ELIGIBLE MOTOR VEHICLES. (a) On August 1 of each year the commission shall publish a list of new motor vehicle models eligible for inclusion in an incentive under this subchapter. The commission shall publish supplements to that list as necessary to include additional new vehicle models.

(b) The commission shall publish the list of eligible motor vehicle models on the commission's Internet website.

Sec. 386.157. LIGHT-DUTY MOTOR VEHICLE PURCHASE OR LEASE INCENTIVE. (a) A person who purchases or leases a new light-duty motor vehicle described by Section 386.154 and listed under Section 386.156(a) is eligible to apply for an incentive under this subchapter.

(b) A lease incentive for a new light-duty motor vehicle shall be prorated based on a three-year lease term.

(c) To receive money under an incentive program provided by this subchapter, the purchaser or lessee of a new light-duty motor vehicle who is eligible to apply for an incentive under this subchapter shall apply for the incentive in the manner provided by law or by rule of the commission.

Sec. 386.158. COMMISSION TO ACCOUNT FOR MOTOR VEHICLE PURCHASE OR LEASE INCENTIVES. (a) The commission by rule shall develop a method to administer and account for the motor vehicle purchase or lease incentives authorized by this subchapter and to pay incentive money to the purchaser or lessee of a new motor vehicle, on application of the purchaser or lessee as provided by this subchapter.

(b) The commission shall develop and publish forms and instructions for the purchaser or lessee of a new motor vehicle to use in applying to the commission for an incentive payment under this subchapter. The commission shall make the forms available to new motor vehicle dealers and leasing agents. Dealers and leasing agents shall make the forms available to their prospective purchasers or lessees.

(c) The commission may require the submission of forms and documentation as needed to verify eligibility for an incentive under this subchapter.

Sec. 386.159. PURCHASE OR LEASE INCENTIVES INFORMATION. (a) The commission shall establish a toll-free telephone number available to motor vehicle dealers and leasing agents for the dealers and agents to call to verify that incentives are available. The commission may provide for issuing verification numbers over the telephone line.

(b) Reliance by a dealer or leasing agent on information provided by the commission is a complete defense to an action involving or based on eligibility of a vehicle for an incentive or availability of vehicles eligible for an incentive.

Sec. 386.160. RESERVATION OF INCENTIVES. The commission may provide for dealers and leasing agents to reserve for a limited time period incentives for vehicles that are not readily available and must be ordered, if the dealer or leasing agent has a purchase or lease order signed by an identified customer.

(f) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, the heading to Subchapter D-1, Chapter 386, Health and Safety Code, is amended to read as follows:

SUBCHAPTER D-1. SEAPORT AND RAIL YARD AREAS EMISSIONS REDUCTION [~~DRAYAGE TRUCK INCENTIVE~~] PROGRAM

(f-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, the heading to Section 386.181, Health and Safety Code, is amended to read as follows:

Sec. 386.181. DEFINITIONS [~~DEFINITION~~]; RULES.

(f-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 386.181(a), Health and Safety Code, is amended to read as follows:

(a) In this subchapter:

(1) "Cargo handling equipment" means any heavy-duty non-road, self-propelled vehicle or land-based equipment used at a seaport or rail yard to lift or move cargo, such as containerized, bulk, or break-bulk goods.

(2) "Drayage [~~, "drayage~~] truck" means a heavy-duty on-road or non-road vehicle that is used for drayage activities and that operates in or transgresses through [~~truck that transports a load to or from~~] a seaport or rail yard for the purpose of loading, unloading, or transporting cargo, including transporting empty containers and chassis.

(3) "Repower" means to replace an old engine powering a vehicle with a new engine, a used engine, a remanufactured engine, or electric motors, drives, or fuel cells.

(g) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 386.182, Health and Safety Code, is amended to read as follows:

Sec. 386.182. COMMISSION DUTIES. (a) The commission shall:

(1) develop a purchase incentive program to encourage owners to:

(A) replace older drayage trucks and cargo handling equipment [~~with pre 2007 model year engines~~] with newer drayage trucks and cargo handling equipment; or

(B) repower drayage trucks and cargo handling equipment; and

(2) [~~shall~~] adopt guidelines necessary to implement the program described by Subdivision (1).

(b) The commission by rule and guideline shall establish criteria for the engines and the models of drayage trucks and cargo handling equipment that are eligible for inclusion in an incentive program under this subchapter. [~~The guidelines must provide that a drayage truck owner is not eligible for an incentive payment under this subchapter unless the truck being replaced contains a pre 2007 model year engine and the replacement truck's engine is from model year 2010 or later as determined by the commission and that the truck operates at a seaport or rail yard.~~]

(g-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, the heading to Section 386.183, Health and Safety Code, is amended to read as follows:

Sec. 386.183. DRAYAGE TRUCK AND CARGO HANDLING EQUIPMENT PURCHASE INCENTIVE.

(g-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 386.183, Health and Safety Code, is amended by amending Subsections (a), (b), (c), (d), and (e) and adding Subsection (a-1) to read as follows:

(a) To be eligible for an incentive under this subchapter, a person must:

(1) purchase a replacement drayage truck, piece of cargo handling equipment, or engine that under Subsection (a-1)(1)(A) or (2)(A), as applicable, and the guidelines adopted by the commission under Section 386.182 is eligible for inclusion in the program for an incentive under this subchapter; and

(2) agree to:

(A) register the drayage truck in this state, if the replacement or repowered vehicle is an on-road drayage truck;

(B) operate the replacement or repowered drayage truck or cargo handling equipment in and within a maximum distance established by the commission of a seaport or rail yard in a nonattainment area of this state for not less than 50 percent of the truck's or equipment's [~~vehicle's~~] annual mileage or hours of operation, as determined by the commission; and

(C) permanently remove the [~~a pre-2007~~] drayage truck, cargo handling equipment, or engine replaced under the program [~~containing a pre-2007 engine owned by the person~~] from operation in a nonattainment area of this state by destroying the engine in accordance with guidelines established by the commission and, if the incentive is for a replacement drayage truck or cargo handling equipment, scrapping the truck or equipment after the purchase of the replacement [~~new~~] truck or equipment in accordance with guidelines established by the commission.

(a-1) To be eligible for purchase under this program:

(1) a drayage truck or cargo handling equipment must:

(A) be powered by an electric motor or contain an engine certified to the current federal emissions standards applicable to that type of engine, as determined by the commission; and

(B) emit oxides of nitrogen at a rate that is at least 25 percent less than the rate at which the truck or equipment being replaced under the program emits such pollutants; and

(2) an engine repowering a drayage truck or cargo handling equipment must:

(A) be an electric motor or an engine certified to the current federal emissions standards applicable to that type of engine, as determined by the commission; and

(B) emit oxides of nitrogen at a rate that is at least 25 percent less than the rate at which the former engine in the truck or equipment being repowered under the program emits such pollutants.

(b) To receive money under an incentive program provided by this subchapter, the purchaser of a drayage truck, piece of cargo handling equipment, or engine eligible for inclusion in the program must apply for the incentive in the manner provided by law, rule, or guideline of the commission.

(c) Not more than one incentive may be provided for each drayage truck or piece of cargo handling equipment purchased or repowered.

(d) An incentive provided under this subchapter may be used to fund not more than 80 percent of, as applicable, the purchase price of:

(1) the drayage truck or cargo handling equipment; or

(2) the engine and any other eligible costs associated with repowering the drayage truck or cargo handling equipment, as determined by the commission.

(e) The commission shall establish procedures to verify that a person who receives an incentive:

(1) has operated in a seaport or rail yard and owned or leased the drayage truck or cargo handling equipment to be replaced or repowered for at least two years prior to receiving the grant; and

(2) as applicable:

(A) after purchase of the replacement drayage truck or cargo handling equipment, permanently destroys the engine and scraps the [~~drayage~~] truck or equipment replaced under the program [~~that contained the pre-2007 engine owned or leased by the person,~~] in accordance with guidelines established by the commission; or

(B) after repowering the drayage truck or cargo handling equipment, permanently destroys the engine that was contained in the truck or equipment in accordance with guidelines established by the commission [~~, after the purchase of the new truck~~].

(h) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 386.252, Health and Safety Code, is amended to read as follows:

Sec. 386.252. USE OF FUND. (a) Money in the fund may be used only to implement and administer programs established under the plan. Subject to the reallocation of funds by the commission under Subsection (h), money [~~Money~~] appropriated to the commission to be used for the programs under Section 386.051(b) shall initially be allocated as follows:

(1) [~~not more than~~] four percent may be used for the clean school bus program under Chapter 390;

(2) [~~not more than~~] three percent may be used for the new technology implementation grant program under Chapter 391, from which at least $1 million will be set aside for electricity storage projects related to renewable energy;

(3) five percent may [~~shall~~] be used for the clean fleet program under Chapter 392;

(4) not more than $3 million may be used by the commission to fund a regional air monitoring program in commission Regions 3 and 4 to be implemented under the commission's oversight, including direction regarding the type, number, location, and operation of, and data validation practices for, monitors funded by the program through a regional nonprofit entity located in North Texas having representation from counties, municipalities, higher education institutions, and private sector interests across the area;

(5) 10 [~~not less than 16~~] percent may [~~shall~~] be used for the Texas natural gas vehicle grant program under Chapter 394;

(6) not more than $6 million [~~five percent~~] may be used [~~to provide grants for natural gas fueling stations under the clean transportation triangle program under Section 394.010;~~

[~~(7) not more than five percent may be used~~] for the Texas alternative fueling facilities program under Chapter 393, of which a specified amount may be used for fueling stations to provide natural gas fuel, except that money may not be allocated for the Texas alternative fueling facilities program for the state fiscal year ending August 31, 2019;

(7) [~~(8)~~] not more than $750,000 [~~a specified amount~~] may be used each year to support research related to air quality as provided by Chapter 387;

(8) [~~(9)~~] not more than $200,000 may be used for a health effects study[~~;~~

[~~(10) $500,000 is to be deposited in the state treasury to the credit of the clean air account created under Section 382.0622 to supplement funding for air quality planning activities in affected counties~~];

(9) [~~(11)~~] at least $6 [~~$4~~] million but not more than $8 [~~and up to four percent to a maximum of $7~~] million[~~, whichever is greater,~~] is allocated to the commission for administrative costs, including all direct and indirect costs for administering the plan, costs for conducting outreach and education activities, and costs attributable to the review or approval of applications for marketable emissions reduction credits;

(10) six [~~(12) at least two~~] percent may [~~and up to five percent of the fund is to~~] be used by the commission for the seaport and rail yard areas emissions reduction [~~drayage truck incentive~~] program established under Subchapter D-1;

(11) [~~(13) not more than~~] five percent may be used for the light-duty motor vehicle purchase or lease incentive program established under Subchapter D;

(12) [~~(14)~~] not more than $216,000 is allocated to the commission to contract with the Energy Systems Laboratory at the Texas A&M Engineering Experiment Station annually for the development and annual computation of creditable statewide emissions reductions obtained through wind and other renewable energy resources for the state implementation plan;

(13) not more than $500,000 may be used for studies of or pilot programs for incentives for port authorities located in nonattainment areas or affected counties to encourage cargo movement that reduces emissions of nitrogen oxides and particulate matter [~~(15) 1.5 percent of the money in the fund is allocated for administrative costs incurred by the laboratory~~]; and

(14) [~~(16)~~] the balance is to be used by the commission for the diesel emissions reduction incentive program under Subchapter C as determined by the commission.

(b) [~~The commission may allocate unexpended money designated for the clean fleet program under Chapter 392 to other programs described under Subsection (a) after the commission allocates money to recipients under the clean fleet program.~~

[~~(c) The commission may allocate unexpended money designated for the Texas alternative fueling facilities program under Chapter 393 to other programs described under Subsection (a) after the commission allocates money to recipients under the alternative fueling facilities program.~~

[~~(d) The commission may reallocate money designated for the Texas natural gas vehicle grant program under Chapter 394 to other programs described under Subsection (a) if:~~

[~~(1) the commission, in consultation with the governor and the advisory board, determines that the use of the money in the fund for that program will cause the state to be in noncompliance with the state implementation plan to the extent that federal action is likely; and~~

[~~(2) the commission finds that the reallocation of some or all of the funding for the program would resolve the noncompliance.~~

[~~(e) Under Subsection (d), the commission may not reallocate more than the minimum amount of money necessary to resolve the noncompliance.~~

[~~(e-1) Money allocated under Subsection (a) to a particular program may be used for another program under the plan as determined by the commission.~~

[~~(f)~~] Money in the fund may be used by the commission for programs under Sections 386.051(b)(13), (b)(14), and (b-1) as may be appropriated for those programs.

(c) [~~(g)~~] If the legislature does not specify amounts or percentages from the total appropriation to the commission to be allocated under Subsection (a) or (b) [~~(f)~~], the commission shall determine the amounts of the total appropriation to be allocated under each of those subsections, such that the total appropriation is expended while maximizing emissions reductions.

(d) To supplement funding for air quality planning activities in affected counties, $500,000 from the fund is to be deposited annually in the state treasury to the credit of the clean air account created under Section 382.0622.

(e) Money in the fund may be allocated for administrative costs incurred by the Energy Systems Laboratory at the Texas A&M Engineering Experiment Station as may be appropriated by the legislature.

(f) To the extent that money is appropriated from the fund for that purpose, not more than $2.5 million may be used by the commission to conduct research and other activities associated with making any necessary demonstrations to the United States Environmental Protection Agency to account for the impact of foreign emissions or an exceptional event.

(g) To the extent that money is appropriated from the fund for that purpose, the commission may use that money to award grants under the governmental alternative fuel fleet grant program established under Chapter 395, except that the commission may not use for that purpose more than three percent of the balance of the fund as of September 1 of each state fiscal year of the biennium for the governmental alternative fuel fleet grant program in that fiscal year.

(h) Subject to the limitations outlined in this section and any additional limitations placed on the use of the appropriated funds, money allocated under this section to a particular program may be used for another program under the plan as determined by the commission, based on demand for grants for eligible projects under particular programs after the commission solicits projects to which to award grants according to the initial allocation provisions of this section.

(h-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 390.001, Health and Safety Code, is amended by amending Subdivision (1) and adding Subdivision (1-a) to read as follows:

(1) "Commission" means the Texas Commission on Environmental Quality.

(1-a) "Diesel exhaust" means one or more of the air pollutants emitted from an engine by the combustion of diesel fuel, including particulate matter, nitrogen oxides, volatile organic compounds, air toxics, and carbon monoxide.

(h-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 390.002(b), Health and Safety Code, is amended to read as follows:

(b) Projects that may be considered for a grant under the program include:

(1) diesel oxidation catalysts for school buses built before 1994;

(2) diesel particulate filters for school buses built from 1994 to 1998;

(3) the purchase and use of emission-reducing add-on equipment for school buses, including devices that reduce crankcase emissions;

(4) the use of qualifying fuel; [~~and~~]

(5) other technologies that the commission finds will bring about significant emissions reductions; and

(6) replacement of a pre-2007 model year school bus.

(i) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 390.004, Health and Safety Code, is amended by adding Subsections (c) and (d) to read as follows:

(c) A school bus proposed for replacement must:

(1) be of model year 2006 or earlier;

(2) have been owned and operated by the applicant for at least the two years before submission of the grant application;

(3) be in good operational condition; and

(4) be currently used on a regular, daily route to and from a school.

(d) A school bus proposed for purchase to replace a pre-2007 model year school bus must be of the current model year or the year before the current model year at the time of submission of the grant application.

(i-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 390.005, Health and Safety Code, is amended to read as follows:

Sec. 390.005. RESTRICTION ON USE OF GRANT. (a) A recipient of a grant under this chapter shall use the grant to pay the incremental costs of the project for which the grant is made, which may include the reasonable and necessary expenses incurred for the labor needed to install emissions-reducing equipment. The recipient may not use the grant to pay the recipient's administrative expenses.

(b) A school bus acquired to replace an existing school bus must be purchased and the grant recipient must agree to own and operate the school bus on a regular, daily route to and from a school for at least five years after a start date established by the commission, based on the date the commission accepts documentation of the permanent destruction or permanent removal of the school bus being replaced.

(c) A school bus replaced under this program must be rendered permanently inoperable by crushing the bus, by making a hole in the engine block and permanently destroying the frame of the bus, or by another method approved by the commission, or be permanently removed from operation in this state. The commission shall establish criteria for ensuring the permanent destruction or permanent removal of the engine or bus. The commission shall enforce the destruction and removal requirements.

(d) In this section, "permanent removal" means the permanent export of a school bus or the engine of a school bus to a destination outside of the United States, Canada, or the United Mexican States.

(i-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 390.006, Health and Safety Code, is amended to read as follows:

Sec. 390.006. EXPIRATION. This chapter expires on the last day of the state fiscal biennium during which the commission publishes in the Texas Register the notice required by Section 382.037 [~~August 31, 2019~~].

(j) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 391.002(b), Health and Safety Code, is amended to read as follows:

(b) Projects that may be considered for a grant under the program include:

(1) advanced clean energy projects, as defined by Section 382.003;

(2) new technology projects that reduce emissions of regulated pollutants from stationary [~~point~~] sources;

(3) new technology projects that reduce emissions from upstream and midstream oil and gas production, completions, gathering, storage, processing, and transmission activities through:

(A) the replacement, repower, or retrofit of stationary compressor engines;

(B) the installation of systems to reduce or eliminate the loss of gas, flaring of gas, or burning of gas using other combustion control devices; or

(C) the installation of systems that reduce flaring emissions and other site emissions by capturing waste heat to generate electricity solely for on-site service; and

(4) [~~(3)~~] electricity storage projects related to renewable energy, including projects to store electricity produced from wind and solar generation that provide efficient means of making the stored energy available during periods of peak energy use.

(j-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 391.102(f), Health and Safety Code, is amended to read as follows:

(f) In reviewing a grant application under this chapter [~~coordinating interagency application review procedures~~], the commission may [~~shall~~]:

(1) solicit review and comments from:

(A) the comptroller to assess:

(i) the financial stability of the applicant;

(ii) the economic benefits and job creation potential associated with the project; and

(iii) any other information related to the duties of that office;

(B) the Public Utility Commission of Texas to assess:

(i) the reliability of the proposed technology;

(ii) the feasibility and cost-effectiveness of electric transmission associated with the project; and

(iii) any other information related to the duties of that agency; and

(C) the Railroad Commission of Texas to assess:

(i) the availability and cost of the fuel involved with the project; and

(ii) any other information related to the duties of that agency; and

(2) consider the comments received under Subdivision (1) in the commission's grant award decision process[~~; and~~

[~~(3) as part of the report required by Section 391.104, justify awards made to projects that have been negatively reviewed by agencies under Subdivision (1)~~].

(j-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 391.104, Health and Safety Code, is amended to read as follows:

Sec. 391.104. REPORTING REQUIREMENTS. The commission [~~annually~~] shall include in the biennial plan report required by Section 386.057(b) information [~~prepare a report~~] that summarizes the applications received and grants awarded in the preceding biennium [~~year~~]. Preparation of the information for the report may [~~must~~] include the participation of any [~~the~~] state agency [~~agencies~~] involved in the review of applications under Section 391.102, if the commission determines participation of the agency is needed.

(k) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 391.205(a), Health and Safety Code, is amended to read as follows:

(a) Except as provided by Subsection (c), in awarding grants under this chapter the commission shall give preference to projects that:

(1) involve the transport, use, recovery for use, or prevention of the loss of natural resources originating or produced in this state;

(2) contain an energy efficiency component; [~~or~~]

(3) include the use of solar, wind, or other renewable energy sources; or

(4) recover waste heat from the combustion of natural resources and use the heat to generate electricity.

(k-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 391.304, Health and Safety Code, is amended to read as follows:

Sec. 391.304. EXPIRATION. This chapter expires on the last day of the state fiscal biennium during which the commission publishes in the Texas Register the notice required by Section 382.037 [~~August 31, 2019~~].

(k-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 392.001(1), Health and Safety Code, is amended to read as follows:

(1) "Alternative fuel" means a fuel other than gasoline or diesel fuel, including electricity, compressed natural gas, liquefied [~~liquified~~] natural gas, hydrogen, propane, or a mixture of fuels containing at least 85 percent methanol by volume.

(l) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Sections 392.002(b) and (c), Health and Safety Code, are amended to read as follows:

(b) An entity that places 10 [~~20~~] or more qualifying vehicles in service for use entirely in this state during a calendar year is eligible to participate in the program.

(c) Notwithstanding Subsection (b), an entity that submits a grant application for 10 [~~20~~] or more qualifying vehicles is eligible to participate in the program even if the commission denies approval for one or more of the vehicles during the application process.

(l-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 392.003(a), Health and Safety Code, is amended to read as follows:

(a) A vehicle is a qualifying vehicle that may be considered for a grant under the program if during the eligibility period established by the commission [~~calendar year~~] the entity purchases a new on-road vehicle that:

(1) is certified to the appropriate current federal emissions standards as determined by the commission;

(2) replaces a diesel-powered on-road vehicle of the same weight classification and use; and

(3) is a hybrid vehicle or fueled by an alternative fuel.

(l-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 392.004(d), Health and Safety Code, is amended to read as follows:

(d) The commission shall minimize, to the maximum extent possible, the amount of paperwork required for an application. [~~An applicant may be required to submit a photograph or other documentation of a vehicle identification number, registration information, inspection information, tire condition, or engine block identification only if the photograph or documentation is requested by the commission after the commission has decided to award a grant to the applicant under this chapter.~~]

(m) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 392.005, Health and Safety Code, is amended by amending Subsections (c) and (i) and adding Subsection (c-1) to read as follows:

(c) As a condition of receiving a grant, the qualifying vehicle must be continuously owned, registered, and operated in the state by the grant recipient until the earlier of the fifth anniversary of the activity start date established by the commission [~~the date of reimbursement of the grant-funded expenses~~] or [~~until~~] the date the vehicle has been in operation for 400,000 miles after the activity start date established by the commission [~~of reimbursement~~]. Not less than 75 percent of the annual use of the qualifying vehicle, either mileage or fuel use as determined by the commission, must occur in the state.

(c-1) For purposes of Subsection (c), the commission shall establish the activity start date based on the date the commission accepts verification of the disposition of the vehicle being replaced.

(i) The executive director may [~~shall~~] waive the requirements of Subsection (b)(2)(A) on a finding of good cause, which may include a waiver for short lapses in registration or operation attributable to economic conditions, seasonal work, or other circumstances.

(m-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 392.008, Health and Safety Code, is amended to read as follows:

Sec. 392.008. EXPIRATION. This chapter expires on the last day of the state fiscal biennium during which the commission publishes in the Texas Register the notice required by Section 382.037 [~~August 31, 2017~~].

(m-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 393.001, Health and Safety Code, is amended by amending Subdivision (1) and adding Subdivision (1-a) to read as follows:

(1) "Alternative fuel" means a fuel other than gasoline or diesel fuel, other than biodiesel fuel, including electricity, compressed natural gas, liquefied [~~liquified~~] natural gas, hydrogen, propane, or a mixture of fuels containing at least 85 percent methanol by volume.

(1-a) "Clean transportation zone" means:

(A) counties containing or intersected by a portion of an interstate highway connecting the cities of Houston, San Antonio, Dallas, and Fort Worth;

(B) counties located within the area bounded by the interstate highways described by Paragraph (A);

(C) counties containing or intersected by a portion of:

(i) an interstate highway connecting San Antonio to Corpus Christi or Laredo;

(ii) the most direct route using highways in the state highway system connecting Corpus Christi and Laredo; or

(iii) a highway corridor connecting Corpus Christi and Houston;

(D) counties located within the area bounded by the highways described by Paragraph (C);

(E) counties in this state all or part of which are included in a nonattainment area designated under Section 107(d) of the federal Clean Air Act (42 U.S.C. Section 7407); and

(F) counties designated as affected counties under Section 386.001.

(n) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 393.002, Health and Safety Code, is amended to read as follows:

Sec. 393.002. PROGRAM. (a) The commission shall establish and administer the Texas alternative fueling facilities program to provide fueling facilities for alternative fuel in the clean transportation zone [~~nonattainment areas~~]. Under the program, the commission shall provide a grant for each eligible facility to offset the cost of those facilities.

(b) An entity that constructs or[~~,~~] reconstructs[~~, or acquires~~] an alternative fueling facility is eligible to participate in the program.

(c) To ensure that alternative fuel vehicles have access to fuel and to build the foundation for a self-sustaining market for alternative fuels in Texas, the commission shall provide for strategically placed fueling facilities in the clean transportation zone to enable an alternative fuel vehicle to travel in those areas relying solely on the alternative fuel.

(d) The commission shall maintain a listing to be made available to the public online of all vehicle fueling facilities that have received grant funding, including location and hours of operation.

(n-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 393.003, Health and Safety Code, is amended by amending Subsections (a) and (b) and adding Subsections (d) and (e) to read as follows:

(a) An entity operating in this state that constructs or[~~,~~] reconstructs[~~, or acquires~~] a facility to [~~store, compress, or~~] dispense alternative fuels may apply for and receive a grant under the program.

(b) The commission may [~~adopt guidelines to~~] allow a regional planning commission, council of governments, or similar regional planning agency created under Chapter 391, Local Government Code, or a private nonprofit organization to apply for and receive a grant to improve the ability of the program to achieve its goals.

(d) An application for a grant under the program must include a certification that the applicant complies with laws, rules, guidelines, and requirements applicable to taxation of fuel provided by the applicant at each fueling facility owned or operated by the applicant. The commission may terminate a grant awarded under this section without further obligation to the grant recipient if the commission determines that the recipient did not comply with a law, rule, guideline, or requirement described by this subsection. This subsection does not create a cause of action to contest an application or award of a grant.

(e) The commission shall disburse grants under the program through a competitive application selection process to offset a portion of the eligible costs.

(n-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 393.004, Health and Safety Code, is amended to read as follows:

Sec. 393.004. ELIGIBILITY OF FACILITIES FOR GRANTS. (a) In addition to the requirements of this chapter, the commission shall establish additional eligibility and prioritization criteria as needed to implement the program [~~The commission by rule shall establish criteria for prioritizing facilities eligible to receive grants under this chapter. The commission shall review and revise the criteria as appropriate~~].

(b) The prioritization criteria established under Subsection (a) must provide that, for each grant round, the commission may not award a grant to an entity that does not [~~To be eligible for a grant under the program, the entity receiving the grant must~~] agree to make the alternative fueling facility accessible and available to the public

[~~persons not associated with the entity~~] at times designated by the grant contract until each eligible entity that does agree to those terms has been awarded a grant [~~agreement~~].

(c) The commission may not award more than one grant for each facility.

(d) The commission may give preference to or otherwise limit grant selections to:

(1) fueling facilities providing specific types of alternative fuels;

(2) fueling facilities in a specified area or location; and

(3) fueling facilities meeting other specified prioritization criteria established by the commission.

(e) For fueling facilities to provide natural gas, the commission shall give preference to:

(1) facilities providing both liquefied natural gas and compressed natural gas at a single location;

(2) facilities located not more than one mile from an interstate highway system;

(3) facilities located in the area in and between the Houston, San Antonio, and Dallas-Fort Worth areas; and

(4) facilities located in the area in and between the Corpus Christi, Laredo, and San Antonio areas [~~A recipient of a grant under this chapter is not eligible to receive a second grant under this chapter for the same facility~~].

(o) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 393.005, Health and Safety Code, is amended to read as follows:

Sec. 393.005. RESTRICTION ON USE OF GRANT. (a) A recipient of a grant under this chapter shall use the grant only to pay the costs of the facility for which the grant is made. The recipient may not use the grant to pay the recipient's:

(1) administrative expenses;

(2) expenses for the purchase of land or an interest in land; or

(3) expenses for equipment or facility improvements that are not directly related to the delivery, storage, compression, or dispensing of the alternative fuel at the facility.

(b) Each grant must be awarded using a contract that requires the recipient to meet operational, maintenance, and reporting requirements as specified by the commission.

(o-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 393.006, Health and Safety Code, is amended to read as follows:

Sec. 393.006. AMOUNT OF GRANT. (a) Grants awarded under this chapter for a facility to provide alternative fuels other than natural gas may not exceed [~~For each eligible facility for which a recipient is awarded a grant under the program, the commission shall award the grant in an amount equal to~~] the lesser of:

(1) 50 percent of the sum of the actual eligible costs incurred by the grant recipient within deadlines established by the commission [~~to construct, reconstruct, or acquire the facility~~]; or

(2) $600,000.

(b) Grants awarded under this chapter for a facility to provide natural gas may not exceed:

(1) $400,000 for a compressed natural gas facility;

(2) $400,000 for a liquefied natural gas facility; or

(3) $600,000 for a facility providing both liquefied and compressed natural gas.

(o-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 393.007, Health and Safety Code, is amended to read as follows:

Sec. 393.007. EXPIRATION. This chapter expires on the last day of the state fiscal biennium during which the commission publishes in the Texas Register the notice required by Section 382.037 [~~August 31, 2018~~].

(p) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 394.001, Health and Safety Code, is amended by amending Subdivisions (1), (4), (5), and (8) and adding Subdivisions (1-a) and (7-a) to read as follows:

(1) "Certified" includes:

(A) new vehicle or new engine certification by the United States Environmental Protection Agency; or

(B) certification or approval by the United States Environmental Protection Agency of a system to convert a vehicle or engine to operate on an alternative fuel and a demonstration by the emissions data used to certify or approve the vehicle or engine, if the commission determines the testing used to obtain the emissions data is consistent with the testing required for approval of an alternative fuel conversion system for new and relatively new vehicles or engines under 40 C.F.R. Part 85 [~~"Advisory board" means the Texas Emissions Reduction Plan Advisory Board~~].

(1-a) "Clean transportation zone" has the meaning assigned by Section 393.001.

(4) "Heavy-duty motor vehicle" means a motor vehicle that [~~with~~]:

(A) has a gross vehicle weight rating of more than 8,500 pounds; and

(B) is certified to or has an engine certified to the United States Environmental Protection Agency's emissions standards for heavy-duty vehicles or engines.

(5) "Incremental cost" has the meaning assigned by Section 386.001 [~~means the difference between the manufacturer's suggested retail price of a baseline vehicle, the documented dealer price of a baseline vehicle, cost to lease or otherwise commercially finance a baseline vehicle, cost to repower with a baseline engine, or other appropriate baseline cost established by the commission, and the actual cost of the natural gas vehicle purchase, lease, or other commercial financing, or repower~~].

(7-a) "Natural gas engine" means an engine that operates:

(A) solely on natural gas, including compressed natural gas, liquefied natural gas, or liquefied petroleum gas; or

(B) on a combination of diesel fuel and natural gas, including compressed natural gas, liquefied natural gas, or liquefied petroleum gas, and is capable of achieving at least 60 percent displacement of diesel fuel with natural gas.

(8) "Natural gas vehicle" means a motor vehicle that is powered by a natural gas engine [~~receives not less than 75 percent of its power from compressed or liquefied natural gas~~].

(p-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 394.003(a), Health and Safety Code, is amended to read as follows:

(a) A vehicle is a qualifying vehicle that may be considered for a grant under the program if during the eligibility period established by the commission [~~calendar year~~] the entity:

(1) purchased, leased, or otherwise commercially financed the vehicle as a new on-road heavy-duty or medium-duty motor vehicle that:

(A) is a natural gas vehicle;

(B) is certified to the appropriate current federal emissions standards as determined by the commission; and

(C) replaces an on-road heavy-duty or medium-duty motor vehicle of the same weight classification and use; [~~and~~

[~~(D) is powered by an engine certified to:~~

[~~(i) emit not more than 0.2 grams of nitrogen oxides per brake horsepower hour; or~~

[~~(ii) meet or exceed the United States Environmental Protection Agency's Bin 5 standard for light-duty engines when powering the vehicle;~~] or

(2) repowered the on-road motor vehicle to a natural gas vehicle powered by a natural gas engine that[~~:~~

[~~(A)~~] is certified to the appropriate current federal emissions standards as determined by the commission[~~; and~~

[~~(B) is:~~

[~~(i) a heavy-duty engine that is certified to emit not more than 0.2 grams of nitrogen oxides per brake horsepower hour; or~~

[~~(ii) certified to meet or exceed the United States Environmental Protection Agency's Bin 5 standard for light-duty engines when powering the vehicle~~].

(p-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 394.005, Health and Safety Code, is amended by amending Subsections (a), (b), (c), (f), (g), and (i) and adding Subsection (c-1) to read as follows:

(a) The commission [~~by rule~~] shall establish criteria for prioritizing qualifying vehicles eligible to receive grants under this chapter. The commission shall review and revise the criteria as appropriate [~~after consultation with the advisory board~~].

(b) To be eligible for a grant under the program:

(1) the use of the qualifying vehicle must be projected to result in a reduction in emissions of nitrogen oxides of at least 25 percent as compared to the motor vehicle or engine being replaced, based on:

(A) the baseline emission level set by the commission under Subsection (g); and

(B) the certified emission rate of the new vehicle; and

(2) the qualifying vehicle must:

(A) replace a heavy-duty or medium-duty motor vehicle that:

(i) is an on-road vehicle that has been owned, leased, or otherwise commercially financed and registered and operated by the applicant in Texas for at least the two years immediately preceding the submission of a grant application;

(ii) satisfies any minimum average annual mileage or fuel usage requirements established by the commission;

(iii) satisfies any minimum percentage of annual usage requirements established by the commission; and

(iv) is in operating condition and has at least two years of remaining useful life, as determined in accordance with criteria established by the commission; [~~or~~]

(B) replace a heavy-duty or medium-duty motor vehicle that:

(i) is owned by the applicant;

(ii) is an on-road vehicle that has been:

(a) owned, leased, or otherwise commercially financed and operated in Texas as a fleet vehicle for at least the two years immediately preceding the submission of a grant application; and

(b) registered in a county located in the clean transportation zone for at least the two years immediately preceding the submission of a grant application; and

(iii) otherwise satisfies the mileage, usage, and useful life requirements established under Paragraph (A) as determined by documentation associated with the vehicle; or

(C) be a heavy-duty or medium-duty motor vehicle repowered with a natural gas engine that:

(i) is installed in an on-road vehicle that has been owned, leased, or otherwise commercially financed and registered and operated by the applicant in Texas for at least the two years immediately preceding the submission of a grant application;

(ii) satisfies any minimum average annual mileage or fuel usage requirements established by the commission;

(iii) satisfies any minimum percentage of annual usage requirements established by the commission; and

(iv) is installed in an on-road vehicle that, at the time of the vehicle's repowering, was in operating condition and had at least two years of remaining useful life, as determined in accordance with criteria established by the commission.

(c) As a condition of receiving a grant, the qualifying vehicle must be continuously owned, leased, or otherwise commercially financed and registered and operated in the state by the grant recipient until the earlier of the fourth anniversary of the activity start date established by the commission [~~the date of reimbursement of the grant-funded expenses~~] or [~~until~~] the date the vehicle has been in operation for 400,000 miles after the activity start date established by the commission [~~of reimbursement~~]. Not less than 75 percent of the annual use of the qualifying vehicle, either mileage or fuel use as determined by the commission, must occur in the clean transportation zone[~~:~~

[~~(1) the counties any part of which are included in the area described by Section 394.010(a); or~~

[~~(2) counties designated as nonattainment areas within the meaning of Section 107(d) of the federal Clean Air Act (42 U.S.C. Section 7407)~~].

(c-1) For purposes of Subsection (c), the commission shall establish the activity start date based on the date the commission accepts verification of the disposition of the vehicle or engine.

(f) A heavy-duty or medium-duty motor vehicle replaced under this program must be rendered permanently inoperable by crushing the vehicle, by making a hole in the engine block and permanently destroying the frame of the vehicle, or by another method approved by the commission, or be [~~that~~] permanently removed [~~removes the vehicle~~] from operation in this state. The commission shall establish criteria for ensuring the permanent destruction or permanent removal of the engine or vehicle. The commission shall enforce the destruction and removal requirements. For purposes of this subsection, "permanent removal" means the permanent export of the vehicle or engine to a destination outside of the United States, Canada, or the United Mexican States.

(g) The commission shall establish baseline emission levels for emissions of nitrogen oxides for on-road heavy-duty or medium-duty motor vehicles being replaced or repowered by using the emission certification for the engine or vehicle being replaced. The commission may consider deterioration of the emission performance of the engine of the vehicle being replaced in establishing the baseline emission level. The commission may consider and establish baseline emission rates for additional pollutants of concern[~~, as determined by the commission after consultation with the advisory board~~].

(i) The executive director may [~~shall~~] waive the requirements of Subsection (b)(2)(A)(i) or (B)(ii) on a finding of good cause, which may include short lapses in registration or operation due to economic conditions, seasonal work, or other circumstances.

(q) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 394.006, Health and Safety Code, is amended to read as follows:

Sec. 394.006. RESTRICTION ON USE OF GRANT. A recipient of a grant under this chapter shall use the grant to pay the incremental costs of the replacement or vehicle repower for which the grant is made, which may include a portion of the initial cost of the natural gas vehicle or natural gas engine, including the cost of the natural gas fuel system and installation [~~and the reasonable and necessary expenses incurred for the labor needed to install emissions reducing equipment~~]. The recipient may not use the grant to pay the recipient's administrative expenses.

(q-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 394.007(c), Health and Safety Code, is amended to read as follows:

(c) A person may not receive a grant under this chapter that, when combined with any other grant, tax credit, or other governmental incentive, exceeds the incremental cost of the vehicle or vehicle repower for which the grant is awarded. A person shall return to the commission the amount of a grant awarded under this

chapter that, when combined with any other grant, tax credit, or other governmental incentive, exceeds the incremental cost of the vehicle or vehicle repower for which the grant is awarded.

(q-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Sections 394.008(a) and (b), Health and Safety Code, are amended to read as follows:

(a) The commission shall establish [~~adopt~~] procedures for:

(1) awarding grants under this chapter to reimburse eligible costs; [~~in the form of rebates; and~~]

(2) streamlining the grant application, contracting, reimbursement, and reporting process for qualifying natural gas vehicle purchases or repowers; and

(3) preapproving the award of grants to applicants who propose to purchase and replace motor vehicles described by Section 394.005(b)(2)(B).

(b) Procedures established [~~adopted~~] under this section must:

(1) provide for the commission to compile and regularly update a listing of potentially eligible [~~preapproved~~] natural gas vehicles and natural gas engines that are certified to the appropriate current federal emissions standards as determined by the commission[~~:~~

[~~(A) powered by natural gas engines certified to emit not more than 0.2 grams of nitrogen oxides per brake horsepower hour; or~~

[~~(B) certified to the United States Environmental Protection Agency's light-duty Bin 5 standard or better~~];

(2) [~~if a federal standard for the calculation of emissions reductions exists,~~] provide a method to calculate the reduction in emissions of nitrogen oxides, volatile organic compounds, carbon monoxide, particulate matter, and sulfur compounds for each replacement or repowering;

(3) assign a standardized grant [~~rebate~~] amount for each qualifying vehicle or engine repower under Section 394.007;

(4) allow for processing applications [~~rebates~~] on an ongoing first-come, first-served basis;

(5) [~~provide for contracts between the commission and participating dealers under Section 394.009;~~

[~~(6) allow grant recipients to assign their grant funds to participating dealers to offset the purchase or lease price;~~

[~~(7)~~] require grant applicants to identify natural gas fueling stations that are available to fuel the qualifying vehicle in the area of its use;

(6) [~~(8)~~] provide for payment not later than the 30th day after the date the request for reimbursement for an approved grant is received;

(7) [~~(9)~~] provide for application submission and application status checks using procedures established by the commission, which may include application submission and status checks to be made over the Internet; and

(8) [~~(10)~~] consolidate, simplify, and reduce the administrative work for applicants and the commission associated with grant application, contracting, reimbursement, and reporting requirements.

(r) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Section 394.012, Health and Safety Code, is amended to read as follows:

Sec. 394.012. EXPIRATION. This chapter expires on the last day of the state fiscal biennium during which the commission publishes in the Texas Register the notice required by Section 382.037 [~~August 31, 2017~~].

(r-1) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, Subtitle C, Title 5, Health and Safety Code, is amended by adding Chapter 395 to read as follows:

CHAPTER 395. GOVERNMENTAL ALTERNATIVE FUEL FLEET GRANT PROGRAM

Sec. 395.001. DEFINITIONS. In this chapter:

(1) "Alternative fuel" means compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen fuel cells, or electricity, including electricity to power fully electric motor vehicles and plug-in hybrid motor vehicles.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "Incremental cost" has the meaning assigned by Section 386.001.

(4) "Motor vehicle" means a self-propelled device designed for transporting persons or property on a public highway that is required to be registered under Chapter 502, Transportation Code.

(5) "Plug-in hybrid motor vehicle" has the meaning assigned by Section 2158.001, Government Code.

(6) "Political subdivision" means a county, municipality, school district, junior college district, river authority, water district or other special district, or other political subdivision created under the constitution or a statute of this state.

(7) "Program" means the governmental alternative fuel fleet grant program established under this chapter.

(8) "State agency" has the meaning assigned by Section 2151.002, Government Code, and includes the commission.

Sec. 395.002. PROGRAM. (a) The commission shall establish and administer a governmental alternative fuel fleet grant program to assist an eligible applicant described by Section 395.003 in purchasing or leasing new motor vehicles that operate primarily on an alternative fuel.

(b) The program may provide a grant to an applicant described by Section 395.003 to:

(1) purchase or lease a new motor vehicle described by Section 395.004; or

(2) purchase, lease, or install refueling infrastructure or equipment or procure refueling services as described by Section 395.005 to store and dispense alternative fuel needed for a motor vehicle described by Subdivision (1) of this subsection.

Sec. 395.003. ELIGIBLE APPLICANTS. (a) A state agency or political subdivision is eligible to apply for a grant under the program if the entity operates a fleet of more than 15 motor vehicles, excluding motor vehicles that are owned and operated by a private company or other third party under a contract with the entity.

(b) A mass transit or school transportation provider or other public entity established to provide public or school transportation services is eligible for a grant under the program.

Sec. 395.004. MOTOR VEHICLE REQUIREMENTS. (a) A grant recipient may purchase or lease with money from a grant under the program a new motor vehicle that is originally manufactured to operate using one or more alternative fuels or is converted to operate using one or more alternative fuels before the first retail sale of the vehicle, and that:

(1) has a dedicated system, dual-fuel system, or bi-fuel system; and

(2) if the motor vehicle is a fully electric motor vehicle or plug-in hybrid motor vehicle, has a United States Environmental Protection Agency rating of at least 75 miles per gallon equivalent or a 75-mile combined city and highway range.

(b) A grant recipient may not use money from a grant under the program to replace a motor vehicle, transit bus, or school bus that operates on an alternative fuel unless the replacement vehicle produces fewer emissions and has greater fuel efficiency than the vehicle being replaced.

Sec. 395.005. REFUELING INFRASTRUCTURE, EQUIPMENT, AND SERVICES. A grant recipient may purchase, lease, or install refueling infrastructure or equipment or procure refueling services with money from a grant under the program if:

(1) the purchase, lease, installation, or procurement is made in conjunction with the purchase or lease of a motor vehicle as described by Section 395.004 or the conversion of a motor vehicle to operate primarily on an alternative fuel;

(2) the grant recipient demonstrates that a refueling station that meets the needs of the recipient is not available within five miles of the location at which the recipient's vehicles are stored or primarily used; and

(3) for the purchase or installation of refueling infrastructure or equipment, the infrastructure or equipment will be owned and operated by the grant recipient, and for the lease of refueling infrastructure or equipment or the procurement of refueling services, a third-party service provider engaged by the grant recipient will provide the infrastructure, equipment, or services.

Sec. 395.006. ELIGIBLE COSTS. (a) A motor vehicle lease agreement paid for with money from a grant under the program must have a term of at least three years.

(b) Refueling infrastructure or equipment purchased or installed with money from a grant under the program must be used specifically to store or dispense alternative fuel, as determined by the commission.

(c) A lease of or service agreement for refueling infrastructure, equipment, or services paid for with money from a grant under the program must have a term of at least three years.

Sec. 395.007. GRANT AMOUNTS. (a) The commission may establish standardized grant amounts based on the incremental costs associated with the purchase or lease of different categories of motor vehicles, including the type of fuel used, vehicle class, and other categories the commission considers appropriate.

(b) In determining the incremental costs and setting the standardized grant amounts, the commission may consider the difference in cost between a new motor vehicle operated using conventional gasoline or diesel fuel and a new motor vehicle operated using alternative fuel.

(c) The amount of a grant for the purchase or lease of a motor vehicle may not exceed the amount of the incremental cost of the purchase or lease.

(d) The commission may establish grant amounts to reimburse the full cost of the purchase, lease, installation, or procurement of refueling infrastructure, equipment, or services or may establish criteria for reimbursing a percentage of the cost.

(e) A grant under the program may be combined with funding from other sources, including other grant programs, except that a grant may not be combined with other funding or grants from the Texas emissions reduction plan. When combined with other funding sources, a grant may not exceed the total cost to the grant recipient.

(f) In providing a grant for the lease of a motor vehicle under this chapter, the commission shall establish criteria:

(1) to offset incremental costs through an up-front payment to lower the cost basis of the lease; or

(2) if determined appropriate by the commission, to provide for reimbursement of lease payments over no more than the period of availability of the contracted funds under applicable state law and regulation, which may be less than the required three-year lease term.

(g) In providing a grant for the lease of refueling infrastructure, equipment, or services, the commission shall establish criteria:

(1) to offset incremental costs through an up-front payment to lower the cost basis of the lease; or

(2) if determined appropriate by the commission, to provide for reimbursement of lease payments over no more than the period of availability of the contracted funds under applicable state law and regulation, which may be less than the required three-year lease term.

(h) Notwithstanding Subsection (d), the commission is not obligated to fund the full cost of the purchase, lease, installation, or procurement of refueling infrastructure, equipment, or services if those costs cannot be incurred and reimbursed over the period of availability of the funds under applicable state law and regulation.

Sec. 395.008. AVAILABILITY OF EMISSIONS REDUCTION CREDITS. (a) A project that is funded from a grant under the program and that would generate marketable emissions reduction credits under a state or federal emissions reduction credit averaging, banking, or trading program is not eligible for funding under the program unless:

(1) the project includes the transfer of the credits, or the reductions that would otherwise be marketable credits, to the commission and, if applicable, the state implementation plan; and

(2) the credits or reductions, as applicable, are permanently retired.

(b) An emissions reduction generated by a purchase or lease under this chapter may be used to demonstrate conformity with the state implementation plan.

Sec. 395.009. USE OF GRANT MONEY. A grant recipient when using money from a grant under the program shall prioritize:

(1) the purchase or lease of new motor vehicles, including new motor vehicles that are converted to operate on an alternative fuel, when replacing vehicles or adding vehicles to the fleet;

(2) the purchase of new motor vehicles, including new motor vehicles that are converted to operate on an alternative fuel, to replace vehicles that have the highest total mileage and do not use an alternative fuel; and

(3) to the extent feasible, obtaining, whether by purchase, purchase and conversion, or lease, motor vehicles that use compressed natural gas, liquefied natural gas, or liquefied petroleum gas.

Sec. 395.010. GRANT PROCEDURES AND CRITERIA. (a) The commission shall establish specific criteria and procedures in order to implement and administer the program, including the creation and provision of application forms and guidance on the application process.

(b) The commission shall award a grant through a contract between the commission and the grant recipient.

(c) The commission shall provide an online application process for the submission of all required application documents.

(d) The commission may limit funding for a particular period according to priorities established by the commission, including limiting the availability of grants to specific entities, for certain types of vehicles and infrastructure, or to certain geographic areas to ensure equitable distribution of grant funds across the state.

(e) In awarding grants under the program, the commission shall prioritize projects in the following order:

(1) projects that are proposed by a state agency;

(2) projects that are in or near a nonattainment area;

(3) projects that are in an affected county, as that term is defined by Section 386.001; and

(4) projects that will produce the greatest emissions reductions.

(f) In addition to the requirements under Subsection (e), in awarding grants under the program, the commission shall consider:

(1) the total amount of the emissions reduction that would be achieved from the project;

(2) the type and number of vehicles purchased or leased;

(3) the location of the fleet and the refueling infrastructure or equipment;

(4) the number of vehicles served and the rate at which vehicles are served by the refueling infrastructure or equipment;

(5) the amount of any matching funds committed by the applicant; and

(6) the schedule for project completion.

(g) The commission may not award more than 10 percent of the total amount awarded under the program in any fiscal year for purchasing, leasing, installing, or procuring refueling infrastructure, equipment, or services.

Sec. 395.011. FUNDING. The legislature may appropriate money to the commission from the Texas emissions reduction plan fund established under Section 386.251 to administer the program.

Sec. 395.012. ADMINISTRATIVE COSTS. In each fiscal year, the commission may use up to 1.5 percent of the total amount of money allocated to the program in that fiscal year, but not more than $1 million, for the administrative costs of the program.

Sec. 395.013. RULES. The commission may adopt rules as necessary to implement this chapter.

Sec. 395.014. REPORT REQUIRED. On or before November 1 of each even-numbered year, the commission shall submit to the governor, lieutenant governor, and members of the legislature a report that includes the following information regarding awards made under the program during the preceding state fiscal biennium:

(1) the number of grants awarded under the program;

(2) the recipient of each grant awarded;

(3) the number of vehicles replaced;

(4) the number, type, and location of any refueling infrastructure, equipment, or services funded under the program;

(5) the total emissions reductions achieved under the program; and

(6) any other information the commission considers relevant.

Sec. 395.015. EXPIRATION. This chapter expires on the last day of the state fiscal biennium during which the commission publishes in the Texas Register the notice required by Section 382.037.

(r-2) Effective on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section, the following provisions of the Health and Safety Code are repealed:

(1) Section 386.001(1);

(2) Section 386.058;

(3) Section 394.001(1);

(4) Section 394.009;

(5) Section 394.010; and

(6) Section 394.011.

(s) This subsection takes effect on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section. As soon as practicable after the effective date of this subsection, the Texas Commission on Environmental Quality shall implement the online application process required by Section 395.010(c), Health and Safety Code, as added by this section. Prior to the implementation of the online application process, the commission may accept applications for a grant under Chapter 395, Health and Safety Code, as added by this section, in any manner provided by the commission.

(s-1) This subsection takes effect on the date that the Texas Emissions Reduction Plan Advisory Board is abolished under Subsection (a) of this section. The changes in law made by this section apply only to a Texas emissions reduction plan grant awarded on or after the effective date of this section. A grant awarded before the effective date of this section is governed by the law in effect on the date the award was made, and the former law is continued in effect for that purpose.

(t) This section takes effect August 30, 2017.

SECTION 9. FIRE ANT RESEARCH AND MANAGEMENT ACCOUNT ADVISORY COMMITTEE. (a) The Fire Ant Research and Management Account Advisory Committee is abolished.

(b) The following provisions are repealed:

(1) Section 77.022, Agriculture Code; and

(2) Section 88.215, Education Code.

SECTION 10. PALLIATIVE CARE INTERDISCIPLINARY ADVISORY COUNCIL. Section 118.003, Health and Safety Code, is repealed.

SECTION 11. AGRICULTURE POLICY BOARD. (a) The Agriculture Policy Board is abolished.

(b) Section 2.004, Agriculture Code, is repealed.

SECTION 12. ADVISORY OVERSIGHT COMMUNITY OUTREACH COMMITTEE. (a) The Advisory Oversight Community Outreach Committee is abolished.

(b) Section 411.0197, Government Code, is repealed.

SECTION 13. RAIN HARVESTING AND WATER RECYCLING TASK FORCE. (a) The task force under Section 2113.301(h), Government Code, as repealed by this section, is abolished.

(b) Section 2113.301(h), Government Code, is repealed.

SECTION 14. STATE COGENERATION COUNCIL. (a) The State Cogeneration Council is abolished. All rules adopted by the State Cogeneration Council are abolished.

(b) Section 2302.024, Government Code, is amended to read as follows:

Sec. 2302.024. AUTHORITY TO SELL POWER. A [~~(a) After the council has approved the application to construct or operate a cogeneration facility, a~~] cogenerating state agency may contract in the same manner as a qualifying facility for the sale to an electric utility of firm or nonfirm power produced by the state agency cogeneration facility that exceeds the agency's power requirements.

[~~(b) A cogenerating state agency may consult with the council about the price or other terms of a contract entered under this section.~~]

(c) The following provisions of the Government Code are repealed:

(1) Section 2302.001(3);

(2) Sections 2302.002, 2302.003, 2302.004, 2302.005, 2302.006, and 2302.007;

(3) Section 2302.021(a); and

(4) Section 2302.022.

SECTION 15. PREMARITAL EDUCATION HANDBOOK ADVISORY COMMITTEE. (a) The advisory committee under Section 2.014(d), Family Code, as repealed by this section, is abolished.

(b) Section 2.014(d), Family Code, is repealed.

SECTION 16. INDEPENDENT REVIEW ORGANIZATION ADVISORY GROUP. (a) The advisory group under Section 4202.011, Insurance Code, as repealed by this section, is abolished.

(b) Section 4202.011, Insurance Code, is repealed.

SECTION 17. VEHICLE PROTECTION PRODUCT WARRANTOR ADVISORY BOARD. (a) The Vehicle Protection Product Warrantor Advisory Board is abolished.

(b) Subchapter C, Chapter 2306, Occupations Code, is repealed.

SECTION 18. Except as otherwise provided by this Act, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1731** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1450

Senator Taylor of Galveston submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 1450** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

TAYLOR OF GALVESTON	G. BONNEN
HANCOCK	MUÑOZ
ZAFFIRINI	PAUL
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the regulatory authority of the commissioner of insurance and the Texas Department of Insurance.

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

SECTION 1. Section 36.004, Insurance Code, is amended to read as follows:

Sec. 36.004. COMPLIANCE WITH NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS REQUIREMENTS; INTERIM RULES. (a) Except as provided by Subsection (c) and Section 36.005, the department may not require an insurer to comply with a rule, regulation, directive, or standard adopted by the National Association of Insurance Commissioners, including a rule, regulation, directive, or standard relating to policy reserves, unless application of that version of the rule, regulation, directive, or standard is expressly authorized by statute [~~and approved by the commissioner~~].

(b) For purposes of Subsection (a), a version of a rule, regulation, directive, or standard is expressly authorized by statute if:

(1) the statute explicitly authorizes that version; or

(2) that version is the latest version of the rule, regulation, directive, or standard on the date that the statute was enacted.

(c) The commissioner may adopt an interim rule to require compliance with a rule, regulation, directive, or standard adopted by the National Association of Insurance Commissioners if:

(1) the commissioner finds the rule is technical or nonsubstantive in nature or necessary to preserve the department's accreditation; and

(2) before the adoption of the rule, the commissioner provides the standing committees of the senate and house of representatives with primary jurisdiction over the department with written notice of the commissioner's intent to adopt the rule.

SECTION 2. Subchapter A, Chapter 36, Insurance Code, is amended by adding Section 36.007 to read as follows:

Sec. 36.007. RULES RELATING TO AGREEMENTS LIMITING STATE AUTHORITY TO REGULATE INSURANCE PROHIBITED; EFFECT OF AGREEMENT. (a) The commissioner may not adopt or enforce a rule that implements an interstate, national, or international agreement that:

(1) infringes on the authority of this state to regulate the business of insurance in this state; and

(2) was not approved by the legislature.

(b) An agreement described by Subsection (a) has no effect on the authority of this state to regulate the business of insurance in this state unless the agreement is approved by the legislature.

SECTION 3. Subchapter C, Chapter 551, Insurance Code, is amended by adding Section 551.1041 to read as follows:

Sec. 551.1041. RULEMAKING AUTHORITY RELATING TO NOTICE OF CANCELLATION OF CERTAIN PERSONAL AUTOMOBILE INSURANCE COVERAGES. The commissioner shall exercise the commissioner's rulemaking authority to adopt rules under which an insurer that cancels a personal automobile insurance policy that provides comprehensive or collision physical damage coverage for an automobile that is subject to a purchase money lien is required to notify the lienholder, if known, that the coverage will be canceled.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 1450** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1549

Senator Kolkhorst submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1549** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

KOLKHORST	BURKETT
BETTENCOURT	ROSE
PERRY	RAYMOND
SCHWERTNER	DALE
URESTI	SIMMONS
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1549** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 11

Senator Schwertner submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 11** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

SCHWERTNER	FRANK
CAMPBELL	KLICK
BIRDWELL	DALE
NELSON	BURKETT
URESTI	RAYMOND
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the provision of child protective services and other health and human services by certain state agencies or under contract with a state agency, including foster care, child protective, relative and kinship caregiver support, prevention and early intervention health care, and adoption services.

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

SECTION 1. Section 71.004, Family Code, is amended to read as follows:

Sec. 71.004. FAMILY VIOLENCE. "Family violence" means:

(1) an act by a member of a family or household against another member of the family or household that is intended to result in physical harm, bodily injury, assault, or sexual assault or that is a threat that reasonably places the member in fear of imminent physical harm, bodily injury, assault, or sexual assault, but does not include defensive measures to protect oneself;

(2) abuse, as that term is defined by Sections 261.001(1)(C), (E), (G), (H), (I), (J), [~~and~~] (K), and (M), by a member of a family or household toward a child of the family or household; or

(3) dating violence, as that term is defined by Section 71.0021.

SECTION 2. Section 107.002(b-1), Family Code, is amended to read as follows:

(b-1) In addition to the duties required by Subsection (b), a guardian ad litem appointed for a child in a proceeding under Chapter 262 or 263 shall:

(1) review the medical care provided to the child; [~~and~~]

(2) in a developmentally appropriate manner, seek to elicit the child's opinion on the medical care provided; and

(3) for a child at least 16 years of age, ascertain whether the child has received the following documents:

(A) a certified copy of the child's birth certificate;

(B) a social security card or a replacement social security card;

(C) a driver's license or personal identification certificate under Chapter 521, Transportation Code; and

(D) any other personal document the Department of Family and Protective Services determines appropriate.

SECTION 3. Section 107.003(b), Family Code, is amended to read as follows:

(b) In addition to the duties required by Subsection (a), an attorney ad litem appointed for a child in a proceeding under Chapter 262 or 263 shall:

(1) review the medical care provided to the child;

(2) in a developmentally appropriate manner, seek to elicit the child's opinion on the medical care provided; and

(3) for a child at least 16 years of age:

(A) [~~;~~] advise the child of the child's right to request the court to authorize the child to consent to the child's own medical care under Section 266.010; and

(B) ascertain whether the child has received the following documents:

(i) a certified copy of the child's birth certificate;

(ii) a social security card or a replacement social security card;

(iii) a driver's license or personal identification certificate under Chapter 521, Transportation Code; and

(iv) any other personal document the Department of Family and Protective Services determines appropriate.

SECTION 4. Section 162.005, Family Code, is amended by adding Subsection (c) to read as follows:

(c) The department shall ensure that each licensed child-placing agency, single source continuum contractor, or other person placing a child for adoption receives a copy of any portion of the report prepared by the department.

SECTION 5. Section 162.0062, Family Code, is amended by adding Subsections (a-1) and (c-1) to read as follows:

(a-1) If a child is placed with a prospective adoptive parent prior to adoption, the prospective adoptive parent is entitled to examine any record or other information relating to the child's health history, including the portion of the report prepared under Section 162.005 for the child that relates to the child's health. The department, licensed child-placing agency, single source continuum contractor, or other person placing a child for adoption shall inform the prospective adoptive parent of the prospective adoptive parent's right to examine the records and other information relating to the child's health history. The department, licensed child-placing agency, single source continuum contractor, or other person placing the child for adoption shall edit the records and information to protect the identity of the biological parents and any other person whose identity is confidential.

(c-1) If the prospective adoptive parents of a child indicate they want to proceed with the adoption under Subsection (c), the department, licensed child-placing agency, or single source continuum contractor shall provide the prospective adoptive parents with access to research regarding underlying health issues and other conditions of trauma that could impact child development and permanency.

SECTION 6. Section 162.007, Family Code, is amended by amending Subsection (a) and adding Subsection (g) to read as follows:

(a) The health history of the child must include information about:

(1) the child's health status at the time of placement;

(2) the child's birth, neonatal, and other medical, psychological, psychiatric, and dental history information, including to the extent known by the department:

(A) whether the child's birth mother consumed alcohol during pregnancy; and

(B) whether the child has been diagnosed with fetal alcohol spectrum disorder;

(3) a record of immunizations for the child; and

(4) the available results of medical, psychological, psychiatric, and dental examinations of the child.

(g) In this section, "fetal alcohol spectrum disorder" means any of a group of conditions that can occur in a person whose mother consumed alcohol during pregnancy.

SECTION 7. Section 261.001, Family Code, is amended by amending Subdivisions (1), (4), and (5) and adding Subdivision (3) to read as follows:

(1) "Abuse" includes the following acts or omissions by a person:

(A) mental or emotional injury to a child that results in an observable and material impairment in the child's growth, development, or psychological functioning;

(B) causing or permitting the child to be in a situation in which the child sustains a mental or emotional injury that results in an observable and material impairment in the child's growth, development, or psychological functioning;

(C) physical injury that results in substantial harm to the child, or the genuine threat of substantial harm from physical injury to the child, including an injury that is at variance with the history or explanation given and excluding an accident or reasonable discipline by a parent, guardian, or managing or possessory conservator that does not expose the child to a substantial risk of harm;

(D) failure to make a reasonable effort to prevent an action by another person that results in physical injury that results in substantial harm to the child;

(E) sexual conduct harmful to a child's mental, emotional, or physical welfare, including conduct that constitutes the offense of continuous sexual abuse of young child or children under Section 21.02, Penal Code, indecency with a child under Section 21.11, Penal Code, sexual assault under Section 22.011, Penal Code, or aggravated sexual assault under Section 22.021, Penal Code;

(F) failure to make a reasonable effort to prevent sexual conduct harmful to a child;

(G) compelling or encouraging the child to engage in sexual conduct as defined by Section 43.01, Penal Code, including compelling or encouraging the child in a manner that constitutes an offense of trafficking of persons under Section 20A.02(a)(7) or (8), Penal Code, prostitution under Section 43.02(b), Penal Code, or compelling prostitution under Section 43.05(a)(2), Penal Code;

(H) causing, permitting, encouraging, engaging in, or allowing the photographing, filming, or depicting of the child if the person knew or should have known that the resulting photograph, film, or depiction of the child is obscene as defined by Section 43.21, Penal Code, or pornographic;

(I) the current use by a person of a controlled substance as defined by Chapter 481, Health and Safety Code, in a manner or to the extent that the use results in physical, mental, or emotional injury to a child;

(J) causing, expressly permitting, or encouraging a child to use a controlled substance as defined by Chapter 481, Health and Safety Code;

(K) causing, permitting, encouraging, engaging in, or allowing a sexual performance by a child as defined by Section 43.25, Penal Code; [~~or~~]

(L) knowingly causing, permitting, encouraging, engaging in, or allowing a child to be trafficked in a manner punishable as an offense under Section 20A.02(a)(5), (6), (7), or (8), Penal Code, or the failure to make a reasonable effort to prevent a child from being trafficked in a manner punishable as an offense under any of those sections; or

(M) forcing or coercing a child to enter into a marriage.

(3) "Exploitation" means the illegal or improper use of a child or of the resources of a child for monetary or personal benefit, profit, or gain by an employee, volunteer, or other individual working under the auspices of a facility or program as further described by rule or policy.

(4) "Neglect":

(A) includes:

(i) the leaving of a child in a situation where the child would be exposed to a substantial risk of physical or mental harm, without arranging for necessary care for the child, and the demonstration of an intent not to return by a parent, guardian, or managing or possessory conservator of the child;

(ii) the following acts or omissions by a person:

(a) placing a child in or failing to remove a child from a situation that a reasonable person would realize requires judgment or actions beyond the child's level of maturity, physical condition, or mental abilities and that results in bodily injury or a substantial risk of immediate harm to the child;

(b) failing to seek, obtain, or follow through with medical care for a child, with the failure resulting in or presenting a substantial risk of death, disfigurement, or bodily injury or with the failure resulting in an observable and material impairment to the growth, development, or functioning of the child;

(c) the failure to provide a child with food, clothing, or shelter necessary to sustain the life or health of the child, excluding failure caused primarily by financial inability unless relief services had been offered and refused;

(d) placing a child in or failing to remove the child from a situation in which the child would be exposed to a substantial risk of sexual conduct harmful to the child; or

(e) placing a child in or failing to remove the child from a situation in which the child would be exposed to acts or omissions that constitute abuse under Subdivision (1)(E), (F), (G), (H), or (K) committed against another child; [~~or~~]

(iii) the failure by the person responsible for a child's care, custody, or welfare to permit the child to return to the child's home without arranging for the necessary care for the child after the child has been absent from the home for any reason, including having been in residential placement or having run away; or

(iv) a negligent act or omission by an employee, volunteer, or other individual working under the auspices of a facility or program, including failure to comply with an individual treatment plan, plan of care, or individualized service plan, that causes or may cause substantial emotional harm or physical injury to, or the death of, a child served by the facility or program as further described by rule or policy; and

(B) does not include the refusal by a person responsible for a child's care, custody, or welfare to permit the child to remain in or return to the child's home resulting in the placement of the child in the conservatorship of the department if:

(i) the child has a severe emotional disturbance;

(ii) the person's refusal is based solely on the person's inability to obtain mental health services necessary to protect the safety and well-being of the child; and

(iii) the person has exhausted all reasonable means available to the person to obtain the mental health services described by Subparagraph (ii).

(5) "Person responsible for a child's care, custody, or welfare" means a person who traditionally is responsible for a child's care, custody, or welfare, including:

(A) a parent, guardian, managing or possessory conservator, or foster parent of the child;

(B) a member of the child's family or household as defined by Chapter 71;

(C) a person with whom the child's parent cohabits;

(D) school personnel or a volunteer at the child's school; [~~or~~]

(E) personnel or a volunteer at a public or private child-care facility that provides services for the child or at a public or private residential institution or facility where the child resides; or

(F) an employee, volunteer, or other person working under the supervision of a licensed or unlicensed child-care facility, including a family home, residential child-care facility, employer-based day-care facility, or shelter day-care facility, as those terms are defined in Chapter 42, Human Resources Code.

SECTION 8. Subchapter A, Chapter 261, Family Code, is amended by adding Section 261.004 to read as follows:

Sec. 261.004. TRACKING OF RECURRENCE OF CHILD ABUSE OR NEGLECT REPORTS. (a) The department shall collect and monitor data regarding repeated reports of abuse or neglect:

(1) involving the same child, including reports of abuse or neglect of the child made while the child resided in other households and reports of abuse or neglect of the child by different alleged perpetrators made while the child resided in the same household; or

(2) by the same alleged perpetrator.

(b) In monitoring reports of abuse or neglect under Subsection (a), the department shall group together separate reports involving different children residing in the same household.

(c) The department shall consider any report collected under Subsection (a) involving any child or adult who is a part of a child's household when making case priority determinations or when conducting service or safety planning for the child or the child's family.

SECTION 9. Sections 261.301(b) and (c), Family Code, are amended to read as follows:

(b) A state agency shall investigate a report that alleges abuse, [~~or~~] neglect, or exploitation occurred in a facility operated, licensed, certified, or registered by that agency as provided by Subchapter E. In conducting an investigation for a facility operated, licensed, certified, registered, or listed by the department, the department shall perform the investigation as provided by:

(1) Subchapter E; and

(2) the Human Resources Code.

(c) The department is not required to investigate a report that alleges child abuse, [~~or~~] neglect, or exploitation by a person other than a person responsible for a child's care, custody, or welfare. The appropriate state or local law enforcement agency shall investigate that report if the agency determines an investigation should be conducted.

SECTION 10. Section 261.401(b), Family Code, is amended to read as follows:

(b) Except as provided by Section 261.404 of this code and Section 531.02013(1)(D), Government Code, a state agency that operates, licenses, certifies, registers, or lists a facility in which children are located or provides oversight of a program that serves children shall make a prompt, thorough investigation of a report that a child has been or may be abused, neglected, or exploited in the facility or program. The primary purpose of the investigation shall be the protection of the child.

SECTION 11. Sections 261.405(a) and (c), Family Code, are amended to read as follows:

(a) Notwithstanding Section 261.001, in [~~In~~] this section:

(1) "Abuse" means an intentional, knowing, or reckless act or omission by an employee, volunteer, or other individual working under the auspices of a facility or program that causes or may cause emotional harm or physical injury to, or the death of, a child served by the facility or program as further described by rule or policy.

(2) "Exploitation" means the illegal or improper use of a child or of the resources of a child for monetary or personal benefit, profit, or gain by an employee, volunteer, or other individual working under the auspices of a facility or program as further described by rule or policy.

(3) "Juvenile justice facility" means a facility operated wholly or partly by the juvenile board, by another governmental unit, or by a private vendor under a contract with the juvenile board, county, or other governmental unit that serves juveniles under juvenile court jurisdiction. The term includes:

(A) a public or private juvenile pre-adjudication secure detention facility, including a holdover facility;

(B) a public or private juvenile post-adjudication secure correctional facility except for a facility operated solely for children committed to the Texas Juvenile Justice Department; and

(C) a public or private non-secure juvenile post-adjudication residential treatment facility that is not licensed by the Department of Family and Protective Services or the Department of State Health Services.

(4) [~~(2)~~] "Juvenile justice program" means a program or department operated wholly or partly by the juvenile board or by a private vendor under a contract with a juvenile board that serves juveniles under juvenile court jurisdiction. The term includes:

(A) a juvenile justice alternative education program;

(B) a non-residential program that serves juvenile offenders under the jurisdiction of the juvenile court; and

(C) a juvenile probation department.

(5) "Neglect" means a negligent act or omission by an employee, volunteer, or other individual working under the auspices of a facility or program, including failure to comply with an individual treatment plan, plan of care, or individualized service plan, that causes or may cause substantial emotional harm or physical injury to, or the death of, a child served by the facility or program as further described by rule or policy.

(c) The Texas Juvenile Justice Department shall make a prompt, thorough [~~conduct an~~] investigation as provided by this chapter if that department receives a report of alleged abuse, neglect, or exploitation in any juvenile justice program or facility. The primary purpose of the investigation shall be the protection of the child.

SECTION 12. Section 263.401, Family Code, is amended to read as follows:

Sec. 263.401. DISMISSAL AFTER ONE YEAR; NEW TRIALS; EXTENSION. (a) Unless the court has commenced the trial on the merits or granted an extension under Subsection (b) or (b-1), on the first Monday after the first anniversary of the date the court rendered a temporary order appointing the department as temporary managing conservator, the court's jurisdiction over [~~court shall dismiss~~] the suit affecting the parent-child relationship filed by the department that requests termination of the parent-child relationship or requests that the department be named conservator of the child is terminated and the suit is automatically dismissed without a court order.

(b) Unless the court has commenced the trial on the merits, the court may not retain the suit on the court's docket after the time described by Subsection (a) unless the court finds that extraordinary circumstances necessitate the child remaining in the temporary managing conservatorship of the department and that continuing the appointment of the department as temporary managing conservator is in the best interest of the child. If the court makes those findings, the court may retain the suit on the court's docket for a period not to exceed 180 days after the time described by Subsection (a). If the court retains the suit on the court's docket, the court shall render an order in which the court:

(1) schedules the new date on which the suit will be automatically dismissed if the trial on the merits has not commenced, which date must be not later than the 180th day after the time described by Subsection (a);

(2) makes further temporary orders for the safety and welfare of the child as necessary to avoid further delay in resolving the suit; and

(3) sets the trial on the merits on a date not later than the date specified under Subdivision (1).

(b-1) If, after commencement of the initial trial on the merits within the time required by Subsection (a) or (b), the court grants a motion for a new trial or mistrial, or the case is remanded to the court by an appellate court following an appeal of the court's final order, the court shall retain the suit on the court's docket and render an order in which the court:

(1) schedules a new date on which the suit will be automatically dismissed if the new trial has not commenced, which must be a date not later than the 180th day after the date on which:

(A) the motion for a new trial or mistrial is granted; or

(B) the appellate court remanded the case;

(2) makes further temporary orders for the safety and welfare of the child as necessary to avoid further delay in resolving the suit; and

(3) sets the new trial on the merits for a date not later than the date specified under Subdivision (1).

(c) If the court grants an extension under Subsection (b) or (b-1) but does not commence the trial on the merits before the dismissal date, the court's jurisdiction over [~~court shall dismiss~~] the suit is terminated and the suit is automatically dismissed without a court order. The court may not grant an additional extension that extends the suit beyond the required date for dismissal under Subsection (b) or (b-1), as applicable.

SECTION 13. Section 263.402, Family Code, is amended to read as follows:

Sec. 263.402. LIMIT ON EXTENSION[~~; WAIVER~~]. [~~(a)~~] The parties to a suit under this chapter may not extend the deadlines set by the court under this subchapter by agreement or otherwise.

[~~(b) A party to a suit under this chapter who fails to make a timely motion to dismiss the suit under this subchapter waives the right to object to the court's failure to dismiss the suit. A motion to dismiss under this subsection is timely if the motion is made before the trial on the merits commences.~~]

SECTION 14. Section 264.018, Family Code, is amended by adding Subsections (d-1) and (d-2) to read as follows:

(d-1) Except as provided by Subsection (d-2), as soon as possible but not later than 24 hours after a change in placement of a child in the conservatorship of the department, the department shall give notice of the placement change to the managed care organization that contracts with the commission to provide health care services to the child under the STAR Health program. The managed care organization shall give notice of the placement change to the primary care physician listed in the child's health passport before the end of the second business day after the day the organization receives the notification from the department.

(d-2) In this subsection, "catchment area" has the meaning assigned by Section 264.152. In a catchment area in which community-based care has been implemented, the single source continuum contractor that has contracted with the commission to provide foster care services in that catchment area shall, as soon as possible but not later than 24 hours after a change in placement of a child in the conservatorship of the department, give notice of the placement change to the managed care organization that contracts with the commission to provide health care services to the child under the STAR Health program. The managed care organization shall give notice of the placement change to the child's primary care physician in accordance with Subsection (d-1).

SECTION 15. (a) Subchapter B, Chapter 264, Family Code, is amended by adding Section 264.1076 to read as follows:

Sec. 264.1076. MEDICAL EXAMINATION REQUIRED. (a) This section applies only to a child who has been taken into the conservatorship of the department and remains in the conservatorship of the department for more than three business days.

(b) The department shall ensure that each child described by Subsection (a) receives an initial medical examination from a physician or other health care provider authorized under state law to conduct medical examinations not later than the end of the third business day after the date the child is removed from the child's home, if the child:

(1) is removed as the result of sexual abuse, physical abuse, or an obvious physical injury to the child; or

(2) has a chronic medical condition, a medically complex condition, or a diagnosed mental illness.

(c) Notwithstanding Subsection (b), the department shall ensure that any child who enters the conservatorship of the department receives any necessary emergency medical care as soon as possible.

(d) A physician or other health care provider conducting an examination under Subsection (b) may not administer a vaccination as part of the examination without parental consent, except that a physician or other health care provider may administer a tetanus vaccination to a child in a commercially available preparation if the physician or other health care provider determines that an emergency circumstance requires the administration of the vaccination. The prohibition on the administration of a vaccination under this subsection does not apply after the department has been named managing conservator of the child after a hearing conducted under Subchapter C, Chapter 262.

(e) Whenever possible, the department shall schedule the medical examination for a child before the last business day of the appropriate time frame provided under Subsection (b).

(f) The department shall collaborate with the commission and selected physicians and other health care providers authorized under state law to conduct medical examinations to develop guidelines for the medical examination conducted under this section, including guidelines on the components to be included in the examination. The guidelines developed under this subsection must provide assistance and guidance regarding:

(1) assessing a child for:

(A) signs and symptoms of child abuse and neglect;

(B) the presence of acute or chronic illness; and

(C) signs of acute or severe mental health conditions;

(2) monitoring a child's adjustment to being in the conservatorship of the department;

(3) ensuring a child has necessary medical equipment and any medication prescribed to the child or needed by the child; and

(4) providing appropriate support and education to a child's caregivers.

(g) Notwithstanding any other law, the guidelines developed under Subsection (f) do not create a standard of care for a physician or other health care provider authorized under state law to conduct medical examinations, and a physician or other health care provider may not be subject to criminal, civil, or administrative penalty or civil liability for failure to adhere to the guidelines.

(h) The department shall make a good faith effort to contact a child's primary care physician to ensure continuity of care for the child regarding medication prescribed to the child and the treatment of any chronic medical condition.

(i) Not later than December 31, 2019, the department shall submit a report to the standing committees of the house of representatives and the senate with primary jurisdiction over child protective services and foster care evaluating the statewide

implementation of the medical examination required by this section. The report must include the level of compliance with the requirements of this section in each region of the state.

(b) Section 264.1076, Family Code, as added by this section, applies only to a child who enters the conservatorship of the Department of Family and Protective Services on or after the effective date of this Act. A child who enters the conservatorship of the Department of Family and Protective Services before the effective date of this Act is governed by the law in effect on the date the child entered the conservatorship of the department, and the former law is continued in effect for that purpose.

(c) The Department of Family and Protective Services shall implement Section 264.1076, Family Code, as added by this section, not later than December 31, 2018.

SECTION 16. (a) Subchapter B, Chapter 264, Family Code, is amended by adding Section 264.1252 to read as follows:

Sec. 264.1252. FOSTER PARENT RECRUITMENT STUDY. (a) In this section, "young adult caregiver" means a person who:

(1) is at least 21 years of age but younger than 36 years of age; and

(2) provides foster care for children who are 14 years of age and older.

(b) The department shall conduct a study on the feasibility of developing a program to recruit and provide training for young adult caregivers.

(c) The department shall complete the study not later than December 31, 2018. In evaluating the feasibility of the program, the department shall consider methods to recruit young adult caregivers and the potential impact that the program will have on the foster children participating in the program, including whether the program may result in:

(1) increased placement stability;

(2) fewer behavioral issues;

(3) fewer instances of foster children running away from a placement;

(4) increased satisfactory academic progress in school;

(5) increased acquisition of independent living skills; and

(6) an improved sense of well-being.

(d) The department shall report the results of the study to the governor, lieutenant governor, speaker of the house of representatives, and members of the legislature as soon as possible after the study is completed.

(e) This section expires September 1, 2019.

(b) As soon as practicable after the effective date of this Act, the Department of Family and Protective Services shall begin the study required by Section 264.1252, Family Code, as added by this section.

SECTION 17. (a) Subchapter B, Chapter 264, Family Code, is amended by adding Sections 264.1261 and 264.128 to read as follows:

Sec. 264.1261. FOSTER CARE CAPACITY NEEDS PLAN. (a) In this section, "community-based care" has the meaning assigned by Section 264.152.

(b) Appropriate department management personnel from a child protective services region in which community-based care has not been implemented, in collaboration with foster care providers, faith-based entities, and child advocates in that region, shall use data collected by the department on foster care capacity needs

and availability of each type of foster care and kinship placement in the region to create a plan to address the substitute care capacity needs in the region. The plan must identify both short-term and long-term goals and strategies for addressing those capacity needs.

(c) A foster care capacity needs plan developed under Subsection (b) must be:

(1) submitted to and approved by the commissioner; and

(2) updated annually.

(d) The department shall publish each initial foster care capacity needs plan and each annual update to a plan on the department's Internet website.

Sec. 264.128. SINGLE CHILD PLAN OF SERVICE INITIATIVE. (a) In this section, "community-based care" has the meaning assigned by Section 264.152.

(b) In regions of the state where community-based care has not been implemented, the department shall:

(1) collaborate with child-placing agencies to implement the single child plan of service model developed under the single child plan of service initiative; and

(2) ensure that a single child plan of service is developed for each child in foster care in those regions.

(b) Notwithstanding Section 264.128(b), Family Code, as added by this section, the Department of Family and Protective Services shall develop and implement a single child plan of service for each child in foster care in a region of the state described by that section not later than September 1, 2017.

SECTION 18. (a) Chapter 264, Family Code, is amended by adding Subchapter B-1 to read as follows:

SUBCHAPTER B-1. COMMUNITY-BASED CARE

Sec. 264.151. LEGISLATIVE INTENT. (a) It is the intent of the legislature that the department contract with community-based nonprofit and local governmental entities that have the ability to provide child welfare services. The services provided by the entities must include direct case management to ensure child safety, permanency, and well-being, in accordance with state and federal child welfare goals.

(b) It is the intent of the legislature that the provision of community-based care for children be implemented with measurable goals relating to:

(1) the safety of children in placements;

(2) the placement of children in each child's home community;

(3) the provision of services to children in the least restrictive environment possible and, if possible, in a family home environment;

(4) minimal placement changes for children;

(5) the maintenance of contact between children and their families and other important persons;

(6) the placement of children with siblings;

(7) the provision of services that respect each child's culture;

(8) the preparation of children and youth in foster care for adulthood;

(9) the provision of opportunities, experiences, and activities for children and youth in foster care that are available to children and youth who are not in foster care;

(10) the participation by children and youth in making decisions relating to their own lives;

(11) the reunification of children with the biological parents of the children when possible; and

(12) the promotion of the placement of children with relative or kinship caregivers if reunification is not possible.

Sec. 264.152. DEFINITIONS. Except as otherwise provided, in this subchapter:

(1) "Alternative caregiver" means a person who is not the foster parent of the child and who provides temporary care for the child for more than 12 hours but less than 60 days.

(2) "Case management" means the provision of case management services to a child for whom the department has been appointed temporary or permanent managing conservator or to the child's family, a young adult in extended foster care, a relative or kinship caregiver, or a child who has been placed in the catchment area through the Interstate Compact on the Placement of Children, and includes:

(A) caseworker visits with the child;

(B) family and caregiver visits;

(C) convening and conducting permanency planning meetings;

(D) the development and revision of child and family plans of service, including a permanency plan and goals for a child or young adult in care;

(E) the coordination and monitoring of services required by the child and the child's family;

(F) the assumption of court-related duties regarding the child, including:

(i) providing any required notifications or consultations;

(ii) preparing court reports;

(iii) attending judicial and permanency hearings, trials, and mediations;

(iv) complying with applicable court orders; and

(v) ensuring the child is progressing toward the goal of permanency within state and federally mandated guidelines; and

(G) any other function or service that the department determines necessary to allow a single source continuum contractor to assume responsibility for case management.

(3) "Catchment area" means a geographic service area for providing child protective services that is identified as part of community-based care.

(4) "Community-based care" means the foster care redesign required by Chapter 598 (S.B. 218), Acts of the 82nd Legislature, Regular Session, 2011, as designed and implemented in accordance with the plan required by Section 264.153.

Sec. 264.154. QUALIFICATIONS OF SINGLE SOURCE CONTINUUM CONTRACTOR; SELECTION. (a) To enter into a contract with the commission or department to serve as a single source continuum contractor to provide foster care service delivery, an entity must be a nonprofit entity that has an organizational mission focused on child welfare or a governmental entity.

(b) In selecting a single source continuum contractor, the department shall consider whether a prospective contractor for a catchment area has demonstrated experience in providing services to children and families in the catchment area.

Sec. 264.155. REQUIRED CONTRACT PROVISIONS. A contract with a single source continuum contractor to provide community-based care services in a catchment area must include provisions that:

(1) establish a timeline for the implementation of community-based care in the catchment area, including a timeline for implementing:

(A) case management services for children, families, and relative and kinship caregivers receiving services in the catchment area; and

(B) family reunification support services to be provided after a child receiving services from the contractor is returned to the child's family;

(2) establish conditions for the single source continuum contractor's access to relevant department data and require the participation of the contractor in the data access and standards governance council created under Section 264.159;

(3) require the single source continuum contractor to create a single process for the training and use of alternative caregivers for all child-placing agencies in the catchment area to facilitate reciprocity of licenses for alternative caregivers between agencies, including respite and overnight care providers, as those terms are defined by department rule;

(4) require the single source continuum contractor to maintain a diverse network of service providers that offer a range of foster capacity options and that can accommodate children from diverse cultural backgrounds;

(5) allow the department to conduct a performance review of the contractor beginning 18 months after the contractor has begun providing case management and family reunification support services to all children and families in the catchment area and determine if the contractor has achieved any performance outcomes specified in the contract;

(6) following the review under Subdivision (5), allow the department to:

(A) impose financial penalties on the contractor for failing to meet any specified performance outcomes; or

(B) award financial incentives to the contractor for exceeding any specified performance outcomes;

(7) require the contractor to give preference for employment to employees of the department:

(A) whose position at the department is impacted by the implementation of community-based care; and

(B) who are considered by the department to be employees in good standing;

(8) require the contractor to provide preliminary and ongoing community engagement plans to ensure communication and collaboration with local stakeholders in the catchment area, including any of the following:

(A) community faith-based entities;

(B) the judiciary;

(C) court-appointed special advocates;

(D) child advocacy centers;

(E) service providers;

(F) foster families;

(G) biological parents;

(H) foster youth and former foster youth;

(I) relative or kinship caregivers;

(J) child welfare boards, if applicable;

(K) attorneys ad litem;

(L) attorneys that represent parents involved in suits filed by the department; and

(M) any other stakeholders, as determined by the contractor; and

(9) require that the contractor comply with any applicable court order issued by a court of competent jurisdiction in the case of a child for whom the contractor has assumed case management responsibilities or an order imposing a requirement on the department that relates to functions assumed by the contractor.

Sec. 264.156. READINESS REVIEW PROCESS FOR COMMUNITY-BASED CARE CONTRACTOR. (a) The department shall develop a formal review process to assess the ability of a single source continuum contractor to satisfy the responsibilities and administrative requirements of delivering foster care services and services for relative and kinship caregivers, including the contractor's ability to provide:

(1) case management services for children and families;

(2) evidence-based, promising practice, or evidence-informed supports for children and families; and

(3) sufficient available capacity for inpatient and outpatient services and supports for children at all service levels who have previously been placed in the catchment area.

(b) As part of the readiness review process, the single source continuum contractor must prepare a plan detailing the methods by which the contractor will avoid or eliminate conflicts of interest. The department may not transfer services to the contractor until the department has determined the plan is adequate.

(c) The department and commission must develop the review process under Subsection (a) before the department may expand community-based care outside of the initial catchment areas where community-based care has been implemented.

(d) If after conducting the review process developed under Subsection (a) the department determines that a single source continuum contractor is able to adequately deliver foster care services and services for relative and kinship caregivers in advance of the projected dates stated in the timeline included in the contract with the contractor, the department may adjust the timeline to allow for an earlier transition of service delivery to the contractor.

Sec. 264.157. EXPANSION OF COMMUNITY-BASED CARE. (a) Not later than December 31, 2019, the department shall:

(1) identify not more than eight catchment areas in the state that are best suited to implement community-based care; and

(2) following the implementation of community-based care services in those catchment areas, evaluate the implementation process and single source continuum contractor performance in each catchment area.

(b) Notwithstanding the process for the expansion of community-based care described in Subsection (a), and in accordance with the community-based care implementation plan developed under Section 264.153, beginning September 1, 2017, the department shall begin accepting applications from entities to provide community-based care services in a designated catchment area.

(c) In expanding community-based care, the department may change the geographic boundaries of catchment areas as necessary to align with specific communities.

(d) The department shall ensure the continuity of services for children and families during the transition period to community-based care in a catchment area.

Sec. 264.158. TRANSFER OF CASE MANAGEMENT SERVICES TO SINGLE SOURCE CONTINUUM CONTRACTOR. (a) In each initial catchment area where community-based care has been implemented or a contract with a single source continuum contractor has been executed before September 1, 2017, the department shall transfer to the single source continuum contractor providing foster care services in that area:

(1) the case management of children, relative and kinship caregivers, and families receiving services from that contractor; and

(2) family reunification support services to be provided after a child receiving services from the contractor is returned to the child's family for the period of time ordered by the court.

(b) The commission shall include a provision in a contract with a single source continuum contractor to provide foster care services and services for relative and kinship caregivers in a catchment area to which community-based care is expanded after September 1, 2017, that requires the transfer to the contractor of the provision of:

(1) the case management services for children, relative and kinship caregivers, and families in the catchment area where the contractor will be operating; and

(2) family reunification support services to be provided after a child receiving services from the contractor is returned to the child's family.

(c) The department shall collaborate with a single source continuum contractor to establish an initial case transfer planning team to:

(1) address any necessary data transfer;

(2) establish file transfer procedures; and

(3) notify relevant persons regarding the transfer of services to the contractor.

Sec. 264.159. DATA ACCESS AND STANDARDS GOVERNANCE COUNCIL. (a) The department shall create a data access and standards governance council to develop protocols for the electronic transfer of data from single source continuum contractors to the department to allow the contractors to perform case management functions.

(b) The council shall develop protocols for the access, management, and security of case data that is electronically shared by a single source continuum contractor with the department.

Sec. 264.160. LIABILITY INSURANCE REQUIREMENTS. A single source continuum contractor and any subcontractor of the single source continuum contractor providing community-based care services shall maintain minimum insurance coverage, as required in the contract with the department, to minimize the risk of insolvency and protect against damages. The executive commissioner may adopt rules to implement this section.

Sec. 264.161. STATUTORY DUTIES ASSUMED BY CONTRACTOR. Except as provided by Section 264.163, a single source continuum contractor providing foster care services and services for relative and kinship caregivers in a catchment area must, either directly or through subcontractors, assume the statutory duties of the department in connection with the delivery of foster care services and services for relative and kinship caregivers in that catchment area.

Sec. 264.162. REVIEW OF CONTRACTOR PERFORMANCE. The department shall develop a formal review process to evaluate a single source continuum contractor's implementation of placement services and case management services in a catchment area.

Sec. 264.163. CONTINUING DUTIES OF DEPARTMENT. In a catchment area in which a single source continuum contractor is providing family-based safety services or community-based care services, legal representation of the department in an action under this code shall be provided in accordance with Section 264.009.

Sec. 264.164. CONFIDENTIALITY. (a) The records of a single source continuum contractor relating to the provision of community-based care services in a catchment area are subject to Chapter 552, Government Code, in the same manner as the records of the department are subject to that chapter.

(b) Subchapter C, Chapter 261, regarding the confidentiality of certain case information, applies to the records of a single source continuum contractor in relation to the provision of services by the contractor.

Sec. 264.165. NOTICE REQUIRED FOR EARLY TERMINATION OF CONTRACT. (a) A single source continuum contractor may terminate a contract entered into under this subchapter by providing notice to the department and the commission of the contractor's intent to terminate the contract not later than the 60th day before the date of the termination.

(b) The department may terminate a contract entered into with a single source continuum contractor under this subchapter by providing notice to the contractor of the department's intent to terminate the contract not later than the 30th day before the date of termination.

Sec. 264.166. CONTINGENCY PLAN IN EVENT OF EARLY CONTRACT TERMINATION. (a) In each catchment area in which community-based care is implemented, the department shall create a contingency plan to ensure the continuity of services for children and families in the catchment area in the event of an early termination of the contract with the single source continuum contractor providing foster care services in that catchment area.

(b) To support each contingency plan, the single source continuum contractor providing foster care services in that catchment area, subject to approval by the department, shall develop a transfer plan to ensure the continuity of services for children and families in the catchment area in the event of an early termination of the

contract with the department. The contractor shall submit an updated transfer plan each year and six months before the end of the contract period, including any extension. The department is not limited or restricted in requiring additional information from the contractor or requiring the contractor to modify the transfer plan as necessary.

(c) If a single source continuum contractor gives notice to the department of an early contract termination, the department may enter into a contract with a different contractor for the sole purpose of assuming the contract that is being terminated.

Sec. 264.167. ATTORNEY-CLIENT PRIVILEGE. An employee, agent, or representative of a single source continuum contractor is considered to be a client's representative of the department for purposes of the privilege under Rule 503, Texas Rules of Evidence, as that privilege applies to communications with a prosecuting attorney or other attorney representing the department, or the attorney's representatives, in a proceeding under this subtitle.

Sec. 264.168. REVIEW OF CONTRACTOR RECOMMENDATIONS BY DEPARTMENT. (a) Notwithstanding any other provision of this subchapter governing the transfer of case management authority to a single source continuum contractor, the department may review, approve, or disapprove a contractor's recommendation with respect to a child's permanency goal.

(b) Subsection (a) may not be construed to limit or restrict the authority of the department to include necessary oversight measures and review processes to maintain compliance with federal and state requirements in a contract with a single source continuum contractor.

(c) The department shall develop an internal dispute resolution process to decide disagreements between a single source continuum contractor and the department.

Sec. 264.169. PILOT PROGRAM FOR FAMILY-BASED SAFETY SERVICES. (a) In this section, "case management services" means the direct delivery and coordination of a network of formal and informal activities and services in a catchment area where the department has entered into, or is in the process of entering into, a contract with a single source continuum contractor to provide family-based safety services and case management and includes:

(1) caseworker visits with the child and all caregivers;

(2) family visits;

(3) family group conferencing or family group decision-making;

(4) development of the family plan of service;

(5) monitoring, developing, securing, and coordinating services;

(6) evaluating the progress of children, caregivers, and families receiving services;

(7) assuring that the rights of children, caregivers, and families receiving services are protected;

(8) duties relating to family-based safety services ordered by a court, including:

(A) providing any required notifications or consultations;

(B) preparing court reports;

(C) attending judicial hearings, trials, and mediations;

(D) complying with applicable court orders; and

(E) ensuring the child is progressing toward the goal of permanency within state and federally mandated guidelines; and

(9) any other function or service that the department determines is necessary to allow a single source continuum contractor to assume responsibility for case management.

(b) The department shall develop and implement in two child protective services regions of the state a pilot program under which the commission contracts with a single nonprofit entity that has an organizational mission focused on child welfare or a governmental entity in each region to provide family-based safety services and case management for children and families receiving family-based safety services. The contract must include a transition plan for the provision of services that ensures the continuity of services for children and families in the selected regions.

(c) The contract with an entity must include performance-based provisions that require the entity to achieve the following outcomes for families receiving services from the entity:

(1) a decrease in recidivism;

(2) an increase in protective factors; and

(3) any other performance-based outcome specified by the department.

(d) The commission may only contract for implementation of the pilot program with entities that the department considers to have the capacity to provide, either directly or through subcontractors, an array of evidence-based, promising practice, or evidence-informed services and support programs to children and families in the selected child protective services regions.

(e) The contracted entity must perform all statutory duties of the department in connection with the delivery of the services specified in Subsection (b).

(f) The contracted entity must give preference for employment to employees of the department:

(1) whose position at the department is impacted by the implementation of community-based care; and

(2) who are considered by the department to be employees in good standing.

(g) Not later than December 31, 2018, the department shall report to the appropriate standing committees of the legislature having jurisdiction over child protective services and foster care matters on the progress of the pilot program. The report must include:

(1) an evaluation of each contracted entity's success in achieving the outcomes described by Subsection (c); and

(2) a recommendation as to whether the pilot program should be continued, expanded, or terminated.

(b) Section 264.126, Family Code, is transferred to Subchapter B-1, Chapter 264, Family Code, as added by this section, redesignated as Section 264.153, Family Code, and amended to read as follows:

Sec. 264.153 [~~264.126~~]. COMMUNITY-BASED CARE [~~REDESIGN~~] IMPLEMENTATION PLAN. (a) The department shall develop and maintain a plan for implementing community-based [~~the foster~~] care [~~redesign required by Chapter 598 (S.B. 218), Acts of the 82nd Legislature, Regular Session, 2011~~]. The plan must:

(1) describe the department's expectations, goals, and approach to implementing community-based [~~foster~~] care [~~redesign~~];

(2) include a timeline for implementing community-based [~~the foster~~] care [~~redesign~~] throughout this state, any limitations related to the implementation, and a progressive intervention plan and a contingency plan to provide continuity of the delivery of foster care services and services for relative and kinship caregivers [~~service delivery~~] if a contract with a single source continuum contractor ends prematurely;

(3) delineate and define the case management roles and responsibilities of the department and the department's contractors and the duties, employees, and related funding that will be transferred to the contractor by the department;

(4) identify any training needs and include long-range and continuous plans for training and cross-training staff, including plans to train caseworkers using the standardized curriculum created by the human trafficking prevention task force under Section 402.035(d)(6), Government Code, as that section existed on August 31, 2017;

(5) include a plan for evaluating the costs and tasks associated with each contract procurement, including the initial and ongoing contract costs for the department and contractor;

(6) include the department's contract monitoring approach and a plan for evaluating the performance of each contractor and the community-based [~~foster~~] care [~~redesign~~] system as a whole that includes an independent evaluation of each contractor's processes and fiscal and qualitative outcomes; and

(7) include a report on transition issues resulting from implementation of community-based [~~the foster~~] care [~~redesign~~].

(b) The department shall annually:

(1) update the implementation plan developed under this section and post the updated plan on the department's Internet website; and

(2) post on the department's Internet website the progress the department has made toward its goals for implementing community-based [~~the foster~~] care [~~redesign~~].

(c) Section 264.154, Family Code, as added by this section, applies only to a contract entered into with a single source continuum contractor on or after the effective date of this section.

SECTION 19. (a) Subchapter C, Chapter 264, Family Code, is amended by adding Section 264.2042 to read as follows:

Sec. 264.2042. GRANTS FOR FAITH-BASED COMMUNITY COLLABORATIVE PROGRAMS. (a) Using available funds or private donations, the governor shall establish and administer an innovation grant program to award grants to support faith-based community programs that collaborate with the department and the commission to improve foster care and the placement of children in foster care.

(b) A faith-based community program is eligible for a grant under this section if:

(1) the effectiveness of the program is supported by empirical evidence; and

(2) the program has demonstrated the ability to build connections between faith-based, secular, and government stakeholders.

(c) The regional director for the department in the region where a grant recipient program is located, or the regional director's designee, shall serve as the liaison between the department and the program for collaborative purposes. For a program that operates in a larger region, the department may designate a liaison in each county where the program is operating. The department or the commission may not direct or manage the operation of the program.

(d) The initial duration of a grant under this section is two years. The governor may renew a grant awarded to a program under this section if funds are available and the governor determines that the program is successful.

(e) The governor may not award to a program grants under this section totaling more than $300,000.

(f) The governor shall adopt rules to implement the grant program created under this section.

(b) As soon as practicable after the effective date of this section, the governor shall adopt rules for the implementation and administration of the innovation grant program established under Section 264.2042, Family Code, as added by this Act, and begin to award grants under the program.

SECTION 20. Subchapter A, Chapter 265, Family Code, is amended by adding Section 265.0041 to read as follows:

Sec. 265.0041. COLLABORATION WITH INSTITUTIONS OF HIGHER EDUCATION. (a) Subject to the availability of funds, the Health and Human Services Commission, on behalf of the department, shall enter into agreements with institutions of higher education to conduct efficacy reviews of any prevention and early intervention programs that have not previously been evaluated for effectiveness through a scientific research evaluation process.

(b) Subject to the availability of funds, the department shall collaborate with an institution of higher education to create and track indicators of child well-being to determine the effectiveness of prevention and early intervention services.

SECTION 21. Section 265.005(b), Family Code, is amended to read as follows:

(b) A strategic plan required under this section must:

(1) identify methods to leverage other sources of funding or provide support for existing community-based prevention efforts;

(2) include a needs assessment that identifies programs to best target the needs of the highest risk populations and geographic areas;

(3) identify the goals and priorities for the department's overall prevention efforts;

(4) report the results of previous prevention efforts using available information in the plan;

(5) identify additional methods of measuring program effectiveness and results or outcomes;

(6) identify methods to collaborate with other state agencies on prevention efforts; [~~and~~]

(7) identify specific strategies to implement the plan and to develop measures for reporting on the overall progress toward the plan's goals; and

(8) identify specific strategies to increase local capacity for the delivery of prevention and early intervention services through collaboration with communities and stakeholders.

SECTION 22. Section 266.012, Family Code, is amended by adding Subsection (c) to read as follows:

(c) A single source continuum contractor under Subchapter B-1, Chapter 264, providing therapeutic foster care services to a child shall ensure that the child receives a comprehensive assessment under this section at least once every 90 days.

SECTION 23. (a) Section 531.02013, Government Code, is amended to read as follows:

Sec. 531.02013. FUNCTIONS REMAINING WITH CERTAIN AGENCIES. The following functions are not subject to transfer under Sections 531.0201 and 531.02011:

(1) the functions of the Department of Family and Protective Services, including the statewide intake of reports and other information, related to the following:

(A) child protective services, including services that are required by federal law to be provided by this state's child welfare agency;

(B) adult protective services, other than investigations of the alleged abuse, neglect, or exploitation of an elderly person or person with a disability:

(i) in a facility operated, or in a facility or by a person licensed, certified, or registered, by a state agency; or

(ii) by a provider that has contracted to provide home and community-based services; [~~and~~]

(C) prevention and early intervention services; and

(D) investigations of alleged abuse, neglect, or exploitation occurring at a child-care facility, as that term is defined in Section 40.042, Human Resources Code; and

(2) the public health functions of the Department of State Health Services, including health care data collection and maintenance of the Texas Health Care Information Collection program.

(b) Notwithstanding any provision of Subchapter A-1, Chapter 531, Government Code, or any other law, the responsibility for conducting investigations of reports of abuse, neglect, or exploitation occurring at a child-care facility, as that term is defined in Section 40.042, Human Resources Code, as added by this Act, may not be transferred to the Health and Human Services Commission and remains the responsibility of the Department of Family and Protective Services.

(c) As soon as possible after the effective date of this section, the commissioner of the Department of Family and Protective Services shall transfer the responsibility for conducting investigations of reports of abuse, neglect, or exploitation occurring at a child-care facility, as that term is defined in Section 40.042, Human Resources Code, as added by this Act, to the child protective services division of the department. The commissioner shall transfer appropriate investigators and staff as necessary to implement this section.

(d) This section takes effect immediately if this Act receives a vote of two-thirds of all the members of each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for this section to take immediate effect, this section takes effect on the 91st day after the last day of the legislative session.

SECTION 24. (a) Subchapter A, Chapter 533, Government Code, is amended by adding Section 533.0054 to read as follows:

Sec. 533.0054. HEALTH SCREENING REQUIREMENTS FOR ENROLLEE UNDER STAR HEALTH PROGRAM. (a) A managed care organization that contracts with the commission to provide health care services to recipients under the STAR Health program must ensure that enrollees receive a complete early and periodic screening, diagnosis, and treatment checkup in accordance with the requirements specified in the contract between the managed care organization and the commission.

(b) The commission shall include a provision in a contract with a managed care organization to provide health care services to recipients under the STAR Health program specifying progressive monetary penalties for the organization's failure to comply with Subsection (a).

(b) The Health and Human Services Commission shall, in a contract for the provision of health care services under the STAR Health program between the commission and a managed care organization under Chapter 533, Government Code, that is entered into, renewed, or extended on or after the effective date of this section, require that the managed care organization comply with Section 533.0054, Government Code, as added by this section.

(c) The Health and Human Services Commission may not impose a monetary penalty for noncompliance with a contract provision described by Section 533.0054(b), Government Code, as added by this section, until September 1, 2018.

(d) If before implementing Section 533.0054, Government Code, as added by this section, the Health and Human Services Commission determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 25. (a) Subchapter A, Chapter 533, Government Code, is amended by adding Section 533.0056 to read as follows:

Sec. 533.0056. STAR HEALTH PROGRAM: NOTIFICATION OF PLACEMENT CHANGE. A contract between a managed care organization and the commission for the organization to provide health care services to recipients under the STAR Health program must require the organization to ensure continuity of care for a child whose placement has changed by:

(1) notifying each specialist treating the child of the placement change; and

(2) coordinating the transition of care from the child's previous treating primary care physician and treating specialists to the child's new treating primary care physician and treating specialists, if any.

(b) The changes in law made by this section apply only to a contract for the provision of health care services under the STAR Health program between the Health and Human Services Commission and a managed care organization under Chapter 533, Government Code, that is entered into, renewed, or extended on or after the effective date of this section.

(c) If before implementing Section 533.0056, Government Code, as added by this section, the Health and Human Services Commission determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the health and human services agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 26. (a) Subchapter B, Chapter 40, Human Resources Code, is amended by adding Sections 40.039, 40.040, 40.041, and 40.042 to read as follows:

Sec. 40.039. REVIEW OF RECORDS RETENTION POLICY. The department shall periodically review the department's records retention policy with respect to case and intake records relating to department functions. The department shall make changes to the policy consistent with the records retention schedule submitted under Section 441.185, Government Code, that are necessary to improve case prioritization and the routing of cases to the appropriate division of the department. The department may adopt rules necessary to implement this section.

Sec. 40.040. CASE MANAGEMENT VENDOR QUALITY OVERSIGHT AND ASSURANCE DIVISION; MONITORING OF CONTRACT ADHERENCE. (a) In this section, "case management," "catchment area," and "community-based care" have the meanings assigned by Section 264.152, Family Code.

(b) The department shall create within the department the case management services vendor quality oversight and assurance division. The division shall:

(1) oversee quality and ensure accountability of any vendor that provides community-based care and full case management services for the department under community-based care;

(2) conduct assessments on the fiscal and qualitative performance of any vendor that provides foster care services for the department under community-based care;

(3) create and administer a dispute resolution process to resolve conflicts between vendors that contract with the department to provide foster care services under community-based care and any subcontractor of a vendor; and

(4) monitor the transfer from the department to a vendor of full case management services for children and families receiving services from the vendor, including any transfer occurring under a pilot program.

(c) The commission shall contract with an outside vendor with expertise in quality assurance to develop, in coordination with the department, a contract monitoring system and standards for the continuous monitoring of the adherence of a vendor providing foster care services under community-based care to the terms of the contract entered into by the vendor and the commission. The standards must include performance benchmarks relating to the provision of case management services in the catchment area where the vendor operates.

(d) The division shall collect and analyze data comparing outcomes on performance measures between catchment areas where community-based care has been implemented and regions where community-based care has not been implemented.

Sec. 40.041. OFFICE OF DATA ANALYTICS. The department shall create an office of data analytics. The office shall report to the deputy commissioner and may perform any of the following functions, as determined by the department:

(1) monitor management trends;

(2) analyze employee exit surveys and interviews;

(3) evaluate the effectiveness of employee retention efforts, including merit pay;

(4) create and manage a system for handling employee complaints submitted by the employee outside of an employee's direct chain of command, including anonymous complaints;

(5) monitor and provide reports to department management personnel on:

(A) employee complaint data and trends in employee complaints;

(B) compliance with annual department performance evaluation requirements; and

(C) the department's use of positive performance levels for employees;

(6) track employee tenure and internal employee transfers within both the child protective services division and the department;

(7) use data analytics to predict workforce shortages and identify areas of the department with high rates of employee turnover, and develop a process to inform the deputy commissioner and other appropriate staff regarding the office's findings;

(8) create and monitor reports on key metrics of agency performance;

(9) analyze available data, including data on employee training, for historical and predictive department trends; and

(10) conduct any other data analysis the department determines to be appropriate for improving performance, meeting the department's current business needs, or fulfilling the powers and duties of the department.

Sec. 40.042. INVESTIGATIONS OF CHILD ABUSE, NEGLECT, AND EXPLOITATION. (a) In this section, "child-care facility" includes a facility, licensed or unlicensed child-care facility, family home, residential child-care facility, employer-based day-care facility, or shelter day-care facility, as those terms are defined in Chapter 42.

(b) For all investigations of child abuse, neglect, or exploitation conducted by the child protective services division of the department, the department shall adopt the definitions of abuse, neglect, and exploitation provided in Section 261.001, Family Code.

(c) The department shall establish standardized policies to be used during investigations.

(d) The commissioner shall establish units within the child protective services division of the department to specialize in investigating allegations of child abuse, neglect, and exploitation occurring at a child-care facility.

(e) The department may require that investigators who specialize in allegations of child abuse, neglect, and exploitation occurring at child-care facilities receive ongoing training on the minimum licensing standards for any facilities that are applicable to the investigator's specialization.

(f) After an investigation of abuse, neglect, or exploitation occurring at a child-care facility, the department shall provide the state agency responsible for regulating the facility with access to any information relating to the department's investigation. Providing access to confidential information under this subsection does not constitute a waiver of confidentiality.

(g) The department may adopt rules to implement this section.

(b) As soon as possible after the effective date of this Act, the commissioner of the Department of Family and Protective Services shall establish the office of data analytics required by Section 40.041, Human Resources Code, as added by this section. The commissioner and the executive commissioner of the Health and Human Services Commission shall transfer appropriate staff as necessary to conduct the duties of the office.

(c) The Department of Family and Protective Services must implement the standardized definitions and policies required under Sections 40.042(b) and (c), Human Resources Code, as added by this Act, not later than December 1, 2017.

SECTION 27. (a) Section 40.058(f), Human Resources Code, is amended to read as follows:

(f) A contract for residential child-care services provided by a general residential operation or by a child-placing agency must include provisions that:

(1) enable the department and commission to monitor the effectiveness of the services;

(2) specify performance outcomes, financial penalties for failing to meet any specified performance outcomes, and financial incentives for exceeding any specified performance outcomes;

(3) authorize the department or commission to terminate the contract or impose monetary sanctions for a violation of a provision of the contract that specifies performance criteria or for underperformance in meeting any specified performance outcomes;

(4) authorize the department or commission, an agent of the department or commission, and the state auditor to inspect all books, records, and files maintained by a contractor relating to the contract; and

(5) are necessary, as determined by the department or commission, to ensure accountability for the delivery of services and for the expenditure of public funds.

(b) The Health and Human Services Commission shall, in a contract for residential child-care services between the commission and a general residential operation or child-placing agency that is entered into on or after the effective date of this section, including a renewal contract, include the provisions required by Section 40.058(f), Human Resources Code, as amended by this section.

(c) The Health and Human Services Commission shall seek to amend contracts for residential child-care services entered into with general residential operations or child-placing agencies before the effective date of this section to include the provisions required by Section 40.058(f), Human Resources Code, as amended by this section.

(d) The Department of Family and Protective Services and the Health and Human Services Commission may not impose a financial penalty against a general residential operation or child-placing agency under a contract provision described by Section 40.058(f)(2) or (3), Human Resources Code, as amended by this section, until September 1, 2018.

SECTION 28. (a) Subchapter C, Chapter 40, Human Resources Code, is amended by adding Section 40.0581 to read as follows:

Sec. 40.0581. PERFORMANCE MEASURES FOR CERTAIN SERVICE PROVIDER CONTRACTS. (a) The commission, in collaboration with the department, shall contract with a vendor or enter into an agreement with an institution of higher education to develop, in coordination with the department, performance quality metrics for family-based safety services and post-adoption support services providers. The quality metrics must be included in each contract with those providers.

(b) Each provider whose contract with the commission to provide department services includes the quality metrics developed under Subsection (a) must prepare and submit to the department a report each calendar quarter regarding the provider's performance based on the quality metrics.

(c) The commissioner shall compile a summary of all reports prepared and submitted to the department by family-based safety services providers as required by Subsection (b) and distribute the summary to appropriate family-based safety services caseworkers and child protective services region management once each calendar quarter.

(d) The commissioner shall compile a summary of all reports prepared and submitted to the department by post-adoption support services providers as required by Subsection (b) and distribute the summary to appropriate conservatorship and adoption caseworkers and child protective services region management.

(e) The department shall make the summaries prepared under Subsections (c) and (d) available to families that are receiving family-based safety services and to adoptive families.

(f) This section does not apply to a provider that has entered into a contract with the commission to provide family-based safety services under Section 264.169, Family Code.

(b) The quality metrics required by Section 40.0581, Human Resources Code, as added by this section, must be developed not later than September 1, 2018, and included in any contract, including a renewal contract, entered into by the Health and Human Services Commission with a family-based safety services provider or a post-adoption support services provider on or after January 1, 2019, except as provided by Section 40.0581(f), Human Resources Code, as added by this section.

SECTION 29. Section 42.002(23), Human Resources Code, is amended to read as follows:

(23) "Other maltreatment" means:

(A) abuse, as defined by Section 261.001 [~~or 261.401~~], Family Code; or

(B) neglect, as defined by Section 261.001 [~~or 261.401~~], Family Code.

SECTION 30. (a) Subchapter C, Chapter 42, Human Resources Code, is amended by adding Section 42.0432 to read as follows:

Sec. 42.0432. HEALTH SCREENING REQUIREMENTS FOR CHILD PLACED WITH CHILD-PLACING AGENCY. (a) A child-placing agency or general residential operation that contracts with the department to provide services must ensure that the children that are in the managing conservatorship of the department and are placed with the child-placing agency or general residential operation receive a complete early and periodic screening, diagnosis, and treatment checkup in accordance with the requirements specified in the contract between the child-placing agency or general residential operation and the department.

(b) The commission shall include a provision in a contract with a child-placing agency or general residential operation specifying progressive monetary penalties for the child-placing agency's or general residential operation's failure to comply with Subsection (a).

(b) A child-placing agency or general residential operation that contracts to provide services for the Department of Family and Protective Services must comply with the requirements of Section 42.0432, Human Resources Code, as added by this section, not later than August 31, 2018. The department and the Health and Human Services Commission may not impose a monetary penalty for noncompliance with a contract provision described by that section until September 1, 2018.

SECTION 31. Section 42.044(c-1), Human Resources Code, is amended to read as follows:

(c-1) The department:

(1) shall investigate a listed family home if the department receives a complaint that:

(A) a child in the home has been abused or neglected, as defined by Section 261.001 [~~261.401~~], Family Code; or

(B) otherwise alleges an immediate risk of danger to the health or safety of a child being cared for in the home; and

(2) may investigate a listed family home to ensure that the home is providing care for compensation to not more than three children, excluding children who are related to the caretaker.

SECTION 32. Section 261.401(a), Family Code, is repealed.

SECTION 33. The changes in law made by this Act to Section 263.401, Family Code, apply only to a suit affecting the parent-child relationship filed on or after the effective date of this Act. A suit affecting the parent-child relationship filed before the effective date of this Act is governed by the law in effect on the date the suit was filed, and the former law is continued in effect for that purpose.

SECTION 34. Except as otherwise provided by this Act, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 11** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 2118

Senator Seliger submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 2118** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

SELIGER	S. DAVIS
BETTENCOURT	GIDDINGS
TAYLOR OF GALVESTON	MUÑOZ
WATSON	GOLDMAN
WEST	D. BONNEN
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to authorization by the Texas Higher Education Coordinating Board for certain public junior colleges to offer baccalaureate degree programs.

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

SECTION 1. Chapter 130, Education Code, is amended by adding Subchapter L, and a heading is added to that subchapter to read as follows:

SUBCHAPTER L. BACCALAUREATE DEGREE PROGRAMS

SECTION 2. Section 130.0012(l), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.301, Education Code, and amended to read as follows:

Sec. 130.301. DEFINITIONS. [~~(l)~~] In this subchapter:

(1) "Coordinating board" means the Texas Higher Education Coordinating Board.

(2) "General academic teaching institution," "medical and dental unit," [~~section, "general academic teaching institution"~~] and "institution of higher education" have the meanings assigned by Section 61.003.

SECTION 3. Section 130.0012(a), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.302, Education Code, and amended to read as follows:

Sec. 130.302. BACCALAUREATE DEGREE PROGRAMS; GENERAL AUTHORIZATION. [~~(a)~~] The coordinating board may [~~Texas Higher Education Coordinating Board shall~~] authorize public junior colleges to offer baccalaureate

degree programs as provided by this subchapter [~~in the fields of applied science and applied technology under this section~~]. Offering a baccalaureate degree program under this subchapter [~~section~~] does not otherwise alter the role and mission of a public junior college.

SECTION 4. Section 130.0012(b), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.303, Education Code, and amended to read as follows:

Sec. 130.303. AUTHORIZATION FOR CERTAIN BACCALAUREATE DEGREE PROGRAMS. (a) [~~(b)~~] The coordinating board shall authorize baccalaureate degree programs in the fields of applied science, applied technology, and nursing at each public junior college that previously participated in a pilot project to offer baccalaureate degree programs.

(b) The coordinating board may authorize baccalaureate degree programs at one or more public junior colleges that offer a degree program in the field of applied science, including a degree program in the field of applied science with an emphasis in early childhood education, applied technology, or nursing and have demonstrated a workforce need.

SECTION 5. Sections 130.0012(b-1) and (b-2), Education Code, are transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.304, Education Code, and amended to read as follows:

Sec. 130.304. BACCALAUREATE IN DENTAL HYGIENE. (a) [~~(b-1)~~] The coordinating board shall authorize [~~establish a pilot project to examine the feasibility and effectiveness of authorizing~~] baccalaureate degree programs in the field of dental hygiene at a public junior college that offers a degree program in that field, has a main campus located in the county seat of a county with a population greater than 200,000, and includes territory in at least six public school districts located in two counties. [~~Subsection (g) does not apply to junior level and senior level courses offered under this subsection. In its recommendations to the legislature relating to state funding for public junior colleges, the coordinating board shall recommend that junior level and senior level courses offered under this subsection by a public junior college receive the same state support as other courses offered by the public junior college.~~]

(b) [~~(b-2)~~] Not later than January 1, 2017, the coordinating board shall prepare a progress report on the baccalaureate degree program in the field of dental hygiene [~~pilot project~~] established under this section [~~Subsection (b-1)~~]. Not later than January 1, 2019, the coordinating board shall prepare a report on the effectiveness of the degree program [~~pilot project~~], including any recommendations for legislative action regarding the offering of baccalaureate degree programs in the field of dental hygiene by a public junior college. The coordinating board shall deliver a copy of each report to the governor, the lieutenant governor, the speaker of the house of representatives, and the chair of the standing committee of each house of the legislature with primary jurisdiction over higher education. This subsection expires January 1, 2020. [~~Unless the authority to continue offering a baccalaureate degree program in the field of dental hygiene is continued by the legislature, a public junior college may not:~~

[~~(1) enroll a new student in a baccalaureate degree program under the pilot project after the 2019 fall semester;~~

[~~(2) offer junior level or senior level courses for those degree programs after the 2021 fall semester, unless the coordinating board authorizes the college to offer those courses; or~~

[~~(3) award a baccalaureate degree under the pilot project after the 2021 fall semester, unless the coordinating board approves the awarding of the degree.~~]

SECTION 6. Section 130.0012(c), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.305, Education Code, and amended to read as follows:

Sec. 130.305. ACCREDITATION. [~~(c)~~] A public junior college offering a baccalaureate degree program under this subchapter [~~section~~] must meet all applicable accreditation requirements of the Commission on Colleges of the Southern Association of Colleges and Schools.

SECTION 7. Section 130.0012(d), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.306, Education Code, and amended to read as follows:

Sec. 130.306. LIMITATION. (a) [~~(d)~~] A public junior college offering a baccalaureate degree program under Section 130.303(a) [~~this section~~] may not offer more than five baccalaureate degree programs at any time.

(b) Except as provided by Subsection (a), a public junior college offering a baccalaureate degree program under this subchapter may not offer more than three baccalaureate degree programs at any time.

(c) Degree [~~The degree~~] programs offered under this subchapter are subject to the continuing approval of the coordinating board.

SECTION 8. Section 130.0012(e), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.307, Education Code, and amended to read as follows:

Sec. 130.307. REQUIREMENTS. (a) [~~(e)~~] In determining whether a public junior college may offer [~~what~~] baccalaureate degree programs and what degree programs may [~~are to~~] be offered, the coordinating board shall:

(1) apply the same criteria and standards the coordinating board uses to approve baccalaureate degree programs at general academic teaching institutions and medical and dental units; and

(2) consider the following factors:

(A) [~~(1)~~] the workforce need for the degree programs in the region served by the junior college;

(B) [~~(2)~~] how those degree programs would complement the other programs and course offerings of the junior college and whether the associate degree program offered by the junior college in the same field has been successful;

(C) [~~(3)~~] whether those degree programs would unnecessarily duplicate the degree programs offered by other institutions of higher education; and

(D) [~~(4)~~] the ability of the junior college to support the degree programs with student enrollment [~~program~~] and the adequacy of the junior college's facilities, faculty, administration, libraries, and other resources.

(b) A public junior college may offer a baccalaureate degree program under this subchapter only if its junior college district:

(1) had a taxable property valuation amount of not less than $6 billion in the preceding year; and

(2) received a positive assessment of the overall financial health of the district as reported by the coordinating board.

(c) Before a public junior college may be authorized to offer a baccalaureate degree program under this subchapter, the public junior college must submit a report to the coordinating board that includes:

(1) a long-term financial plan for receiving accreditation from the Commission on Colleges of the Southern Association of Colleges and Schools;

(2) a long-term plan for faculty recruitment that:

(A) indicates the ability to pay the increased salaries of doctoral faculty;

(B) identifies recruitment strategies for new faculty; and

(C) ensures the program would not draw faculty employed by a neighboring institution offering a similar program;

(3) detailed information on the manner of program and course delivery; and

(4) detailed information regarding existing articulation agreements and dual enrollment agreements indicating:

(A) that at least three articulation agreements have been established with general academic teaching institutions or medical and dental units, or the reasons why no articulation agreements have been established; and

(B) that, with the agreement of the applicable general academic teaching institution or medical and dental unit, established articulation agreements are at capacity.

(d) The coordinating board may not authorize a public junior college to offer a baccalaureate degree in a field if articulation agreements with general academic teaching institutions or medical and dental units are sufficient to meet the needs of that field.

SECTION 9. Subchapter L, Chapter 130, Education Code, as added by this Act, is amended by adding Section 130.308, Education Code, to read as follows:

Sec. 130.308. SPECIAL REQUIREMENTS FOR NURSING DEGREE PROGRAM. (a) In determining whether a public junior college may offer a baccalaureate degree program in nursing, the coordinating board shall:

(1) require a public junior college to provide evidence to the coordinating board and the Texas Board of Nursing that the public junior college has secured adequate long-term clinical space;

(2) obtain a letter from each clinical site provided indicating that the clinical site has not refused a similar request from a general academic teaching institution or medical and dental unit; and

(3) establish that the corresponding associate degree program offered by the public junior college has been successful as indicated by job placement rates and licensing exam scores.

(b) A baccalaureate degree program offered under this subchapter by a public junior college in the field of nursing must:

(1) be a bachelor of science degree program;

(2) meet the standards and criteria the Texas Board of Nursing uses to approve pre-licensure degree programs at general academic teaching institutions and medical and dental units regardless of whether the program is a pre-licensure or post-licensure program; and

(3) be accredited by a national nursing accrediting body recognized by the United States Department of Education.

(c) A public junior college offering a baccalaureate degree program in the field of nursing under this subchapter must demonstrate to the coordinating board that it will maintain or exceed the enrollment available to nursing students enrolled in an associate degree program at the public junior college in the 2016-2017 academic year and must continue to maintain or exceed that level of enrollment in the corresponding associate degree program until the 2021-2022 academic year. This subsection expires January 1, 2023.

SECTION 10. Sections 130.0012(f) and (j), Education Code, are transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.309, Education Code, and amended to read as follows:

Sec. 130.309. ARTICULATION AGREEMENT REQUIRED. (a) [~~(f)~~] Each public junior college that offers a baccalaureate degree program under this subchapter [~~section~~] must enter into an articulation agreement for the first five years of the program with one or more general academic teaching institutions or medical and dental units to ensure that students enrolled in the degree program have an opportunity to complete the degree if the public junior college ceases to offer the degree program. The coordinating board may require a general academic teaching institution or medical and dental unit that offers a comparable degree program to enter into an articulation agreement with the public junior college as provided by this subsection.

(b) [~~(j)~~] The coordinating board shall prescribe procedures to ensure that each public junior college that offers a degree program under this subchapter [~~section~~] informs each student who enrolls in the degree program of the articulation agreement entered into under this section [~~Subsection (f)~~] for the student's degree program.

SECTION 11. Section 130.0012(g), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.310, Education Code, and amended to read as follows:

Sec. 130.310. FUNDING. (a) Except as provided by Subsection (b), a degree program created under this subchapter may be funded solely by a public junior college's proportionate share of state appropriations under Section 130.003, local funds, and private sources. This subsection does not require the legislature to appropriate state funds to support a degree program created under this subchapter. The coordinating board shall weigh contact hours attributable to students enrolled in a junior-level or senior-level course offered under this subchapter used to determine a public junior college's proportionate share of state appropriations under Section 130.003 in the same manner as a lower division course in a corresponding field.

(b) Notwithstanding Subsection (a), in [~~(g) In~~] its recommendations to the legislature relating to state funding for public junior colleges, the coordinating board shall recommend that a public junior college authorized to offer baccalaureate degree programs under Section 130.303(a) or 130.304 receive substantially the same state support for junior-level and senior-level courses in the fields of applied science,

applied technology, dental hygiene, and nursing offered under this subchapter [~~section~~] as that provided to a general academic teaching institution for substantially similar courses. For purposes of this subsection, in [~~In~~] determining the contact hours attributable to students enrolled in a junior-level or senior-level course in the field of applied science, applied technology, dental hygiene, or nursing offered under this subchapter [~~section~~] used to determine a public junior college's proportionate share of state appropriations under Section 130.003, the coordinating board shall weigh those contact hours as necessary to provide the junior college the appropriate level of state support to the extent state funds for those courses are included in the appropriations. This subsection does not prohibit the legislature from directly appropriating state funds to support junior-level and senior-level courses to which this subsection applies [~~offered under this section~~].

(c) A public junior college may not charge a student enrolled in a baccalaureate degree program offered under this subchapter tuition and fees in an amount that exceeds the amount of tuition and fees charged by the junior college to a similarly situated student who is enrolled in an associate degree program in a corresponding field. This subsection does not apply to tuition and fees charged for a baccalaureate degree program in the field of applied science or applied technology previously offered as part of a pilot project and offered by a public junior college authorized to offer baccalaureate degree programs under Section 130.303(a).

SECTION 12. Section 130.0012(h), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.311, Education Code, and amended to read as follows:

Sec. 130.311. REPORT. Each biennium, each [~~(h) Each~~] public junior college offering a baccalaureate degree program under this subchapter [~~section~~] shall conduct a review of each baccalaureate degree program offered and prepare a [~~biennial~~] report on the operation, quality, and effectiveness of those [~~the junior college's baccalaureate~~] degree programs. A [~~and shall deliver a~~] copy of the report shall be delivered to the coordinating board in the form and at the time determined by the coordinating board.

SECTION 13. Section 130.0012(k), Education Code, is transferred to Subchapter L, Chapter 130, Education Code, as added by this Act, redesignated as Section 130.312, Education Code, and amended to read as follows:

Sec. 130.312. RULES. [~~(k)~~] The coordinating board shall adopt rules as necessary for the administration of this subchapter [~~section~~].

SECTION 14. The heading to Section 130.0012, Education Code, is repealed.

SECTION 15. Section 130.0012(b-3), Education Code, is repealed.

SECTION 16. The changes in law made by this Act to Section 130.0012(b-1), Education Code, redesignated as Section 130.304, Education Code, apply beginning with funding recommendations made under Subchapter L, Chapter 130, Education Code, as added by this Act, for the state fiscal biennium beginning September 1, 2019.

SECTION 17. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 2118** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 5

Senator Schwertner submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 5** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

SCHWERTNER	FRANK
NELSON	RAYMOND
HUFFMAN	GEREN
PERRY	CLARDY
URESTI	SMITHEE
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 5** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1424

Senator Birdwell submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1424** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

BIRDWELL	MURPHY
SELIGER	PEREZ
BURTON	PARKER
WHITMIRE	SPRINGER

CREIGHTON	WORKMAN
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1424** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2445

Senator Estes submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2445** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

ESTES	STUCKY
BUCKINGHAM	D. BONNEN
ZAFFIRINI	SPRINGER
NELSON	DARBY
TAYLOR OF GALVESTON	RAYMOND
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 2445** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1290

Senator Kolkhorst submitted the following Conference Committee Report:

Austin, Texas

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1290** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

KOLKHORST	ROBERTS
BETTENCOURT	PRICE
BIRDWELL	LONGORIA

BURTON	COOK
HANCOCK	DARBY
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1290** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 578

Senator Lucio submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 578** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

LUCIO	GUTIERREZ
BIRDWELL	BLANCO
ESTES	J. RODRIGUEZ
CREIGHTON	ELKINS
RODRÍGUEZ	BURKETT
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to the creation by the Health and Human Services Commission of a veteran suicide prevention action plan.

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

SECTION 1. Subchapter B, Chapter 531, Government Code, is amended by adding Section 531.0999 to read as follows:

Sec. 531.0999. VETERAN SUICIDE PREVENTION ACTION PLAN. (a) The commission, in collaboration with the Texas Coordinating Council for Veterans Services, the United States Department of Veterans Affairs, the Service Members, Veterans, and Their Families Technical Assistance Center Implementation Academy of the Substance Abuse and Mental Health Services Administration of the United States Department of Health and Human Services, veteran advocacy groups, medical providers, and any other organization or interested party the commission considers appropriate, shall develop a comprehensive action plan to increase access to and availability of professional veteran health services to prevent veteran suicides.

(b) The action plan must:

(1) identify opportunities for raising awareness of and providing resources for veteran suicide prevention;

(2) identify opportunities to increase access to veteran mental health services;

(3) identify funding resources to provide accessible, affordable veteran mental health services;

(4) provide measures to expand public-private partnerships to ensure access to quality, timely mental health services;

(5) provide for proactive outreach measures to reach veterans needing care;

(6) provide for peer-to-peer service coordination, including training, certification, recertification, and continuing education for peer coordinators; and

(7) address suicide prevention awareness, measures, and training regarding veterans involved in the justice system.

(c) The commission shall make specific short-term and long-term statutory, administrative, and budget-related recommendations to the legislature and the governor regarding the policy initiatives and reforms necessary to implement the action plan developed under this section. The short-term recommendations must include a plan for state implementation beginning not later than September 1, 2019. The initiatives and reforms in the short-term plan must be fully implemented by September 1, 2021. The long-term recommendations must include a plan for state implementation beginning not later than September 1, 2021. The initiatives and reforms in the long-term plan must be fully implemented by September 1, 2027.

(d) The commission shall include in its strategic plan under Chapter 2056 the plans for implementation of the short-term and long-term recommendations under Subsection (c).

(e) This section expires September 1, 2027.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

The Conference Committee Report on **SB 578** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 715

Senator Campbell submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 715** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

CAMPBELL	HUBERTY
CREIGHTON	LARSON
HUFFINES	GEREN
NICHOLS	CORTEZ
HINOJOSA	
On the part of the Senate	On the part of the House

A BILL TO BE ENTITLED
AN ACT

relating to municipal annexation.

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

SECTION 1. Section 43.002, Local Government Code, is amended by adding Subsection (e) to read as follows:

(e) Notwithstanding Subsection (c) and until the 20th anniversary of the date of the annexation of an area that includes a permanent retail structure, a municipality may not prohibit a person from continuing to use the structure for the indoor seasonal sale of retail goods if the structure:

(1) is more than 5,000 square feet; and

(2) was authorized under the laws of this state to be used for the indoor seasonal sale of retail goods on the effective date of the annexation.

SECTION 2. Section 43.021, Local Government Code, is transferred to Subchapter A, Chapter 43, Local Government Code, redesignated as Section 43.003, Local Government Code, and amended to read as follows:

Sec. 43.003 [~~43.021~~]. AUTHORITY OF HOME-RULE MUNICIPALITY TO ANNEX AREA AND TAKE OTHER ACTIONS REGARDING BOUNDARIES. A home-rule municipality may take the following actions according to rules as may be provided by the charter of the municipality and not inconsistent with the requirements [~~procedural rules~~] prescribed by this chapter:

(1) fix the boundaries of the municipality;

(2) extend the boundaries of the municipality and annex area adjacent to the municipality; and

(3) exchange area with other municipalities.

SECTION 3. Chapter 43, Local Government Code, is amended by adding Subchapter A-1 to read as follows:

SUBCHAPTER A-1. GENERAL AUTHORITY TO ANNEX

Sec. 43.011. APPLICABILITY. This subchapter applies to:

(1) a municipality wholly located in one or more counties each with a population of less than 500,000; and

(2) notwithstanding Subchapter C-4 or C-5:

(A) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(B) a municipality described by Subdivision (1) that proposes to annex an area in a county with a population of 500,000 or more.

Sec. 43.0115. AUTHORITY OF CERTAIN MUNICIPALITIES TO ANNEX ENCLAVES. (a) This section applies only to a municipality that:

(1) is wholly or partly located in a county in which a majority of the population of two or more municipalities, each with a population of 300,000 or more, are located; and

(2) proposes to annex an area that:

(A) is wholly surrounded by a municipality and within the municipality's extraterritorial jurisdiction; and

(B) has fewer than 100 dwelling units.

(b) Notwithstanding any other law, the governing body of a municipality by ordinance may annex an area without the consent of any of the residents of, voters of, or owners of land in the area under the procedures prescribed by Subchapter C-1.

SECTION 4. Section 43.026, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.012, Local Government Code, and amended to read as follows:

Sec. 43.012 [~~43.026~~]. AUTHORITY OF TYPE A GENERAL-LAW MUNICIPALITY TO ANNEX AREA IT OWNS. The governing body of a Type A general-law municipality by ordinance may annex area that the municipality owns under the procedures prescribed by Subchapter C-1. The ordinance must describe the area by metes and bounds and must be entered in the minutes of the governing body.

SECTION 5. Section 43.027, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.013, Local Government Code, and amended to read as follows:

Sec. 43.013 [~~43.027~~]. AUTHORITY OF [~~GENERAL LAW~~] MUNICIPALITY TO ANNEX NAVIGABLE STREAM. The governing body of a [~~general law~~] municipality by ordinance may annex any navigable stream adjacent to the municipality and within the municipality's extraterritorial jurisdiction under the procedures prescribed by Subchapter C-1.

SECTION 6. Section 43.051, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, and redesignated as Section 43.014, Local Government Code, to read as follows:

Sec. 43.014 [~~43.051~~]. AUTHORITY TO ANNEX LIMITED TO EXTRATERRITORIAL JURISDICTION. A municipality may annex area only in its extraterritorial jurisdiction unless the municipality owns the area.

SECTION 7. Section 43.031, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, and redesignated as Section 43.015, Local Government Code, to read as follows:

Sec. 43.015 [~~43.031~~]. AUTHORITY OF ADJACENT MUNICIPALITIES TO CHANGE BOUNDARIES BY AGREEMENT. Adjacent municipalities may make mutually agreeable changes in their boundaries of areas that are less than 1,000 feet in width.

SECTION 8. Section 43.035, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.016, Local Government Code, and amended to read as follows:

Sec. 43.016 [~~43.035~~]. AUTHORITY OF MUNICIPALITY TO ANNEX AREA QUALIFIED FOR AGRICULTURAL OR WILDLIFE MANAGEMENT USE OR AS TIMBER LAND. (a) This section applies only to an area:

(1) eligible to be the subject of a development agreement under Subchapter G, Chapter 212; and

(2) appraised for ad valorem tax purposes as land for agricultural or wildlife management use under Subchapter C or D, Chapter 23, Tax Code, or as timber land under Subchapter E of that chapter.

(b) A municipality may not annex an area to which this section applies unless:

(1) the municipality offers to make a development agreement with the landowner under Section 212.172 that would:

(A) guarantee the continuation of the extraterritorial status of the area; and

(B) authorize the enforcement of all regulations and planning authority of the municipality that do not interfere with the use of the area for agriculture, wildlife management, or timber; and

(2) the landowner declines to make the agreement described by Subdivision (1).

(c) For purposes of Section 43.003(2) [~~43.021(2)~~] or another law, including a municipal charter or ordinance, relating to municipal authority to annex an area adjacent to the municipality, an area adjacent or contiguous to an area that is the subject of a development agreement described by Subsection (b)(1) is considered adjacent or contiguous to the municipality.

(d) A provision of a development agreement described by Subsection (b)(1) that restricts or otherwise limits the annexation of all or part of the area that is the subject of the agreement is void if the landowner files any type of subdivision plat or related development document for the area with a governmental entity that has jurisdiction over the area, regardless of how the area is appraised for ad valorem tax purposes.

(e) A development agreement described by Subsection (b)(1) is not a permit for purposes of Chapter 245.

SECTION 9. Section 43.037, Local Government Code, is transferred to Subchapter A-1, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.017, Local Government Code, and amended to read as follows:

Sec. 43.017 [~~43.037~~]. PROHIBITION AGAINST ANNEXATION TO SURROUND MUNICIPALITY IN CERTAIN COUNTIES. (a) A municipality with a population of more than 175,000 located in a county that contains an international

border and borders the Gulf of Mexico may not annex an area that would cause another municipality to be entirely surrounded by the corporate limits or extraterritorial jurisdiction of the annexing municipality.

(b) A municipality described by Subsection (a) to which Section 42.0235 applies and a neighboring municipality may waive Subsection (a) or Section 42.0235 if the governing body of each municipality adopts, on or after June 1, 2017, a resolution stating that the applicable section is waived.

SECTION 10. The heading to Subchapter B, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER B. GENERAL AUTHORITY TO ANNEX: MUNICIPALITIES WHOLLY LOCATED IN COUNTIES WITH POPULATION OF LESS THAN 500,000

SECTION 11. Subchapter B, Chapter 43, Local Government Code, is amended by adding Section 43.0205 to read as follows:

Sec. 43.0205. APPLICABILITY. (a) Except as provided by Subsection (b), this subchapter applies only to a municipality wholly located in one or more counties each with a population of less than 500,000.

(b) This subchapter does not apply to a municipality described by Subsection (a) that proposes to annex an area in a county with a population of 500,000 or more.

SECTION 12. The heading to Subchapter C, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER C. ANNEXATION PROCEDURE FOR AREAS ANNEXED UNDER MUNICIPAL ANNEXATION PLAN: MUNICIPALITIES WHOLLY LOCATED IN COUNTIES WITH POPULATION OF LESS THAN 500,000

SECTION 13. Subchapter C, Chapter 43, Local Government Code, is amended by adding Section 43.0505 to read as follows:

Sec. 43.0505. APPLICABILITY. (a) Except as provided by Subsection (b), this subchapter applies only to a municipality wholly located in one or more counties each with a population of less than 500,000.

(b) Unless otherwise specifically provided by this chapter, this subchapter does not apply to:

(1) a municipality wholly or partly located in a county with a population of 500,000 or more; or

(2) a municipality described by Subsection (a) that proposes to annex an area in a county with a population of 500,000 or more.

SECTION 14. Section 43.052(h), Local Government Code, is amended to read as follows:

(h) This section does not apply to an area proposed for annexation if:

(1) the area contains fewer than 100 separate tracts of land on which one or more residential dwellings are located on each tract;

(2) the area will be annexed by petition of more than 50 percent of the real property owners in the area proposed for annexation or by vote or petition of the qualified voters or real property owners as provided by Subchapter B;

(3) the area is or was the subject of:

(A) an industrial district contract under Section 42.044; or

(B) a strategic partnership agreement under Section 43.0751;

(4) the area is located in a colonia, as that term is defined by Section 2306.581, Government Code;

(5) the area is annexed under Section 43.012, 43.013, 43.015 [~~43.026, 43.027~~], or 43.029[~~, or 43.031~~];

(6) the area is located completely within the boundaries of a closed military installation; or

(7) the municipality determines that the annexation of the area is necessary to protect the area proposed for annexation or the municipality from:

(A) imminent destruction of property or injury to persons; or

(B) a condition or use that constitutes a public or private nuisance as defined by background principles of nuisance and property law of this state.

SECTION 15. Section 43.054(a), Local Government Code, is amended to read as follows:

(a) A municipality [~~with a population of less than 1.6 million~~] may not annex a publicly or privately owned area, including a strip of area following the course of a road, highway, river, stream, or creek, unless the width of the area at its narrowest point is at least 1,000 feet.

SECTION 16. Sections 43.056(l) and (n), Local Government Code, are amended to read as follows:

(l) A service plan is valid for 10 years. Renewal of the service plan is at the discretion of the municipality. [~~A person residing or owning land in an annexed area in a municipality with a population of 1.6 million or more may enforce a service plan by petitioning the municipality for a change in policy or procedures to ensure compliance with the service plan. If the municipality fails to take action with regard to the petition, the petitioner may request arbitration of the dispute under Section 43.0565.~~] A person residing or owning land in an annexed area [~~in a municipality with a population of less than 1.6 million~~] may enforce a service plan by applying for a writ of mandamus not later than the second anniversary of the date the person knew or should have known that the municipality was not complying with the service plan. If a writ of mandamus is applied for, the municipality has the burden of proving that the services have been provided in accordance with the service plan in question. If a court issues a writ under this subsection, the court:

(1) must provide the municipality the option of disannexing the area within a reasonable period specified by the court;

(2) may require the municipality to comply with the service plan in question before a reasonable date specified by the court if the municipality does not disannex the area within the period prescribed by the court under Subdivision (1);

(3) may require the municipality to refund to the landowners of the annexed area money collected by the municipality from those landowners for services to the area that were not provided;

(4) may assess a civil penalty against the municipality, to be paid to the state in an amount as justice may require, for the period in which the municipality is not in compliance with the service plan;

(5) may require the parties to participate in mediation; and

(6) may require the municipality to pay the person's costs and reasonable attorney's fees in bringing the action for the writ.

(n) Before the second anniversary of the date an area is included within the corporate boundaries of a municipality by annexation, the municipality may not:

(1) prohibit the collection of solid waste in the area by a privately owned solid waste management service provider; or

(2) offer [~~impose a fee for~~] solid waste management services in the area unless a privately owned solid waste management service provider is unavailable [~~on a person who continues to use the services of a privately owned solid waste management service provider~~].

SECTION 17. Section 43.0562(a), Local Government Code, is amended to read as follows:

(a) After holding the hearings as provided by Section 43.0561:

(1) [~~if a municipality has a population of less than 1.6 million,~~] the municipality and the property owners of the area proposed for annexation shall negotiate for the provision of services to the area after annexation or for the provision of services to the area in lieu of annexation under Section 43.0563; or

(2) if a municipality proposes to annex a special district, as that term is defined by Section 43.052, the municipality and the governing body of the district shall negotiate for the provision of services to the area after annexation or for the provision of services to the area in lieu of annexation under Section 43.0751.

SECTION 18. Section 43.0563(a), Local Government Code, is amended to read as follows:

(a) The governing body of a municipality [~~with a population of less than 1.6 million~~] may negotiate and enter into a written agreement for the provision of services and the funding of the services in an area with:

(1) representatives designated under Section 43.0562(b), if the area is included in the municipality's annexation plan; or

(2) an owner of an area within the extraterritorial jurisdiction of the municipality if the area is not included in the municipality's annexation plan.

SECTION 19. The heading to Subchapter C-1, Chapter 43, Local Government Code, is amended to read as follows:

SUBCHAPTER C-1. ANNEXATION PROCEDURE FOR AREAS EXEMPTED FROM MUNICIPAL ANNEXATION PLAN: MUNICIPALITIES WHOLLY LOCATED IN COUNTIES WITH POPULATION OF LESS THAN 500,000

SECTION 20. Section 43.061, Local Government Code, is amended to read as follows:

Sec. 43.061. APPLICABILITY. (a) Except as provided by Subsection (b), this [~~This~~] subchapter applies only to an area that is proposed for annexation by a municipality wholly located in one or more counties each with a population of less than 500,000 and that is not required to be included in a municipal annexation plan under Section 43.052(h) [~~43.052~~].

(b) Unless otherwise specifically provided by this chapter, this subchapter does not apply to an area that is proposed for annexation by:

(1) a municipality wholly or partly located in a county with a population of 500,000 or more; or

(2) a municipality described by Subsection (a) that proposes to annex an area in a county with a population of 500,000 or more.

SECTION 21. Section 43.062(a), Local Government Code, is amended to read as follows:

(a) Sections [~~43.051,~~] 43.054, 43.0545, 43.055, [~~43.0565, 43.0567,~~] and 43.057 apply to the annexation of an area to which this subchapter applies.

SECTION 22. Section 43.064, Local Government Code, is amended to read as follows:

Sec. 43.064. PERIOD FOR COMPLETION OF ANNEXATION[~~; EFFECTIVE DATE~~]. [~~(a)~~] The annexation of an area must be completed within 90 days after the date the governing body institutes the annexation proceedings or those proceedings are void. Any period during which the municipality is restrained or enjoined by a court from annexing the area is not included in computing the 90-day period.

[~~(b) Notwithstanding any provision of a municipal charter to the contrary, the governing body of a municipality with a population of 1.6 million or more may provide that an annexation take effect on any date within 90 days after the date of the adoption of the ordinance providing for the annexation.~~]

SECTION 23. Chapter 43, Local Government Code, is amended by adding Subchapter C-2 to read as follows:

SUBCHAPTER C-2. GENERAL ANNEXATION AUTHORITY AND PROCEDURES: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE

Sec. 43.066. APPLICABILITY. This subchapter applies only to:

(1) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(2) a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area in a county with a population of 500,000 or more.

Sec. 43.0661. PROVISION OF CERTAIN SERVICES TO ANNEXED AREA. (a) This section applies only to a municipality that includes solid waste collection services in the list of services that will be provided in the area proposed for annexation on or before the second anniversary of the effective date of the annexation of the area under a written agreement under Section 43.0672 or a resolution under Section 43.0682 or 43.0692.

(b) A municipality is not required to provide solid waste collection services to a person who continues to use the services of a privately owned solid waste management service provider as provided by Subsection (c).

(c) Before the second anniversary of the effective date of the annexation of an area, a municipality may not:

(1) prohibit the collection of solid waste in the area by a privately owned solid waste management service provider; or

(2) offer solid waste management services in the area unless a privately owned solid waste management service provider is unavailable.

Sec. 43.0663. EFFECT ON OTHER LAW. Subchapters C-3 through C-5 do not affect the procedures described by Section 397.005 or 397.006 applicable to a defense community as defined by Section 397.001.

SECTION 24. Section 43.030, Local Government Code, is transferred to Subchapter C-2, Chapter 43, Local Government Code, as added by this Act, redesignated as Section 43.0662, Local Government Code, and amended to read as follows:

Sec. 43.0662 [~~43.030~~]. AUTHORITY OF MUNICIPALITY WITH POPULATION OF 74,000 TO 99,700 IN URBAN COUNTY TO ANNEX SMALL, SURROUNDED GENERAL-LAW MUNICIPALITY. (a) Notwithstanding Subchapter C-4 or C-5, a [~~A~~] municipality that has a population of 74,000 to 99,700, that is located wholly or partly in a county with a population of more than 1.8 million, and that completely surrounds and is contiguous to a general-law municipality with a population of less than 600, may annex the general-law municipality as provided by this section.

(b) The governing body of the smaller municipality may adopt an ordinance ordering an election on the question of consenting to the annexation of the smaller municipality by the larger municipality. The governing body of the smaller municipality shall adopt the ordinance if it receives a petition to do so signed by a number of qualified voters of the municipality equal to at least 10 percent of the number of voters of the municipality who voted in the most recent general election. If the ordinance ordering the election is to be adopted as a result of a petition, the ordinance shall be adopted within 30 days after the date the petition is received.

(c) The ordinance ordering the election must provide for the submission of the question at an election to be held on the first uniform election date prescribed by Chapter 41, Election Code, that occurs after the 30th day after the date the ordinance is adopted and that affords enough time to hold the election in the manner required by law.

(d) Within 10 days after the date on which the election is held, the governing body of the smaller municipality shall canvass the election returns and by resolution shall declare the results of the election. If a majority of the votes received is in favor of the annexation, the secretary of the smaller municipality or other appropriate municipal official shall forward by certified mail to the secretary of the larger municipality a certified copy of the resolution.

(e) The larger municipality, within 90 days after the date the resolution is received, must complete the annexation by ordinance in accordance with its municipal charter or the general laws of the state. If the annexation is not completed within the 90-day period, any annexation proceeding is void and the larger municipality may not annex the smaller municipality under this section. However, the failure to complete the annexation as provided by this subsection does not prevent the smaller municipality from holding a new election on the question to enable the larger municipality to annex the smaller municipality as provided by this section.

(f) If the larger municipality completes the annexation within the prescribed period, the incorporation of the smaller municipality is abolished. The records, public property, public buildings, money on hand, credit accounts, and other assets of the smaller municipality become the property of the larger municipality and shall be turned over to the officers of that municipality. The offices in the smaller municipality

are abolished and the persons holding those offices are not entitled to further remuneration or compensation. All outstanding liabilities of the smaller municipality are assumed by the larger municipality.

(g) In the annexation ordinance, the larger municipality shall adopt, for application in the area zoned by the smaller municipality, the identical comprehensive zoning ordinance that the smaller municipality applied to the area at the time of the election. Any attempted annexation of the smaller municipality that does not include the adoption of that comprehensive zoning ordinance is void. That comprehensive zoning ordinance may not be repealed or amended for a period of 10 years unless the written consent of the landowners who own at least two-thirds of the surface land of the annexed smaller municipality is obtained.

(h) If the annexed smaller municipality has on hand any bond funds for public improvements that are not appropriated or contracted for, the funds shall be kept in a separate special fund to be used only for public improvements in the area for which the bonds were voted.

(i) On the annexation, all claims, fines, debts, or taxes due and payable to the smaller municipality become due and payable to the larger municipality and shall be collected by it. If taxes for the year in which the annexation occurs have been assessed in the smaller municipality before the annexation, the amounts assessed remain as the amounts due and payable from the inhabitants of the smaller municipality for that year.

(j) This section does not affect a charter provision of a home-rule municipality. This section grants additional power to the municipality and is cumulative of the municipal charter.

SECTION 25. Chapter 43, Local Government Code, is amended by adding Subchapters C-3, C-4, and C-5 to read as follows:

SUBCHAPTER C-3. ANNEXATION OF AREA ON REQUEST OF OWNERS: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE

Sec. 43.067. APPLICABILITY. This subchapter applies only to a municipality to which Subchapter C-2 applies.

Sec. 43.0671. AUTHORITY TO ANNEX AREA ON REQUEST OF OWNERS. Notwithstanding Subchapter C-4 or C-5, a municipality may annex an area if each owner of land in the area requests the annexation.

Sec. 43.0672. WRITTEN AGREEMENT REGARDING SERVICES. (a) The governing body of the municipality that elects to annex an area under this subchapter must first negotiate and enter into a written agreement with the owners of land in the area for the provision of services in the area.

(b) The agreement must include:

(1) a list of each service the municipality will provide on the effective date of the annexation; and

(2) a schedule that includes the period within which the municipality will provide each service that is not provided on the effective date of the annexation.

(c) The municipality is not required to provide a service that is not included in the agreement.

Sec. 43.0673. PUBLIC HEARINGS. (a) Before a municipality may adopt an ordinance annexing an area under this section, the governing body of the municipality must conduct at least two public hearings.

(b) The hearings must be conducted not less than 10 business days apart.

(c) During the first public hearing, the governing body must provide persons interested in the annexation the opportunity to be heard. During the final public hearing, the governing body may adopt an ordinance annexing the area.

(d) The municipality must post notice of the hearings on the municipality's Internet website if the municipality has an Internet website and publish notice of the hearings in a newspaper of general circulation in the municipality and in the area proposed for annexation. The notice for each hearing must be published at least once on or after the 20th day but before the 10th day before the date of the hearing. The notice for each hearing must be posted on the municipality's Internet website on or after the 20th day but before the 10th day before the date of the hearing and must remain posted until the date of the hearing.

SUBCHAPTER C-4. ANNEXATION OF AREAS WITH POPULATION OF LESS THAN 200: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE

Sec. 43.068. APPLICABILITY. This subchapter applies only to a municipality to which Subchapter C-2 applies.

Sec. 43.0681. AUTHORITY TO ANNEX. A municipality may annex an area with a population of less than 200 only if the municipality obtains consent to annex the area through a petition signed by more than 50 percent of the registered voters of the area.

Sec. 43.0682. RESOLUTION. The governing body of the municipality that proposes to annex an area under this subchapter must adopt a resolution that includes:

(1) a statement of the municipality's intent to annex the area;

(2) a detailed description and map of the area;

(3) a description of each service to be provided by the municipality in the area on or after the effective date of the annexation, including, as applicable:

(A) police protection;

(B) fire protection;

(C) emergency medical services;

(D) solid waste collection;

(E) operation and maintenance of water and wastewater facilities in the annexed area;

(F) operation and maintenance of roads and streets, including road and street lighting;

(G) operation and maintenance of parks, playgrounds, and swimming pools; and

(H) operation and maintenance of any other publicly owned facility, building, or service;

(4) a list of each service the municipality will provide on the effective date of the annexation; and

(5) a schedule that includes the period within which the municipality will provide each service that is not provided on the effective date of the annexation.

Sec. 43.0683. NOTICE OF PROPOSED ANNEXATION. Not later than the seventh day after the date the governing body of the municipality adopts the resolution under Section 43.0682, the municipality must mail to each resident in the area proposed to be annexed notification of the proposed annexation that includes:

(1) notice of the public hearing required by Section 43.0684;

(2) an explanation of the 180-day petition period described by Section 43.0685; and

(3) a description, list, and schedule of services to be provided by the municipality in the area on or after annexation as provided by Section 43.0682.

Sec. 43.0684. PUBLIC HEARING. The governing body of a municipality must conduct at least one public hearing not earlier than the 21st day and not later than the 30th day after the date the governing body adopts the resolution under Section 43.0682.

Sec. 43.0685. PETITION. (a) The petition required by Section 43.0681 may be signed only by a registered voter of the area proposed to be annexed.

(b) The municipality may collect signatures on the petition only during the period beginning on the 31st day after the date the governing body of the municipality adopts the resolution under Section 43.0682 and ending on the 180th day after the date the resolution is adopted.

(c) The petition must clearly state that a person signing the petition is consenting to the proposed annexation.

(d) The petition must include a map of and describe the area proposed to be annexed.

(e) Signatures collected on the petition must be in writing.

(f) Chapter 277, Election Code, applies to a petition under this section.

Sec. 43.0686. RESULTS OF PETITION. (a) When the petition period prescribed by Section 43.0685 ends, the petition shall be verified by the municipal secretary or other person responsible for verifying signatures. The municipality must notify the residents of the area proposed to be annexed of the results of the petition.

(b) If the municipality does not obtain the number of signatures on the petition required to annex the area, the municipality may not annex the area and may not adopt another resolution under Section 43.0682 to annex the area until the first anniversary of the date the petition period ended.

(c) If the municipality obtains the number of signatures on the petition required to annex the area, the municipality may annex the area after:

(1) providing notice under Subsection (a);

(2) holding a public hearing at which members of the public are given an opportunity to be heard; and

(3) holding a final public hearing not earlier than the 10th day after the date of the public hearing under Subdivision (2) at which the ordinance annexing the area may be adopted.

Sec. 43.0687. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON PETITION. If a petition protesting the annexation of an area under this subchapter is signed by a number of registered voters of the municipality proposing the annexation equal to at least 50 percent of the number of voters who voted in the most recent municipal election and is received by the secretary of the municipality before the date

the petition period prescribed by Section 43.0685 ends, the municipality may not complete the annexation of the area without approval of a majority of the voters of the municipality voting at an election called and held for that purpose.

Sec. 43.0688. RETALIATION FOR ANNEXATION DISAPPROVAL PROHIBITED. (a) The disapproval of the proposed annexation of an area under this subchapter does not affect any existing legal obligation of the municipality proposing the annexation to continue to provide governmental services in the area, including water or wastewater services.

(b) The municipality may not initiate a rate proceeding solely because of the disapproval of a proposed annexation of an area under this subchapter.

SUBCHAPTER C-5. ANNEXATION OF AREAS WITH POPULATION OF AT LEAST 200: MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE

Sec. 43.069. APPLICABILITY. This subchapter applies only to a municipality to which Subchapter C-2 applies.

Sec. 43.0691. AUTHORITY TO ANNEX. (a) A municipality may annex an area with a population of 200 or more only if the following conditions are met, as applicable:

(1) the municipality holds an election in the area proposed to be annexed at which the qualified voters of the area may vote on the question of the annexation and a majority of the votes received at the election approve the annexation; and

(2) if the registered voters of the area do not own more than 50 percent of the land in the area, the municipality obtains consent to annex the area through a petition signed by more than 50 percent of the owners of land in the area.

(b) In addition to the conditions under Subsection (a), a municipality with a population of 1.8 million or more may annex an area described by Subsection (a) only if the municipality provides full municipal police and fire services to the area on the date the area is annexed.

Sec. 43.0692. RESOLUTION. The governing body of the municipality that proposes to annex an area under this subchapter must adopt a resolution that includes:

(1) a statement of the municipality's intent to annex the area;

(2) a detailed description and map of the area;

(3) a description of each service to be provided by the municipality in the area on or after the effective date of the annexation, including, as applicable:

(A) police protection;

(B) fire protection;

(C) emergency medical services;

(D) solid waste collection;

(E) operation and maintenance of water and wastewater facilities in the annexed area;

(F) operation and maintenance of roads and streets, including road and street lighting;

(G) operation and maintenance of parks, playgrounds, and swimming pools; and

(H) operation and maintenance of any other publicly owned facility, building, or service;

(4) a list of each service the municipality will provide on the effective date of the annexation; and

(5) a schedule that includes the period within which the municipality will provide each service that is not provided on the effective date of the annexation.

Sec. 43.0693. NOTICE OF PROPOSED ANNEXATION. Not later than the seventh day after the date the governing body of the municipality adopts the resolution under Section 43.0692, the municipality must mail to each property owner in the area proposed to be annexed notification of the proposed annexation that includes:

(1) notice of the public hearings required by Section 43.0694;

(2) notice that an election on the question of annexing the area will be held; and

(3) a description, list, and schedule of services to be provided by the municipality in the area on or after annexation as provided by Section 43.0692.

Sec. 43.0694. PUBLIC HEARINGS. (a) The governing body of a municipality must conduct an initial public hearing not earlier than the 21st day and not later than the 30th day after the date the governing body adopts the resolution under Section 43.0692.

(b) The governing body must conduct at least one additional public hearing not earlier than the 31st day and not later than the 90th day after the date the governing body adopts a resolution under Section 43.0692.

Sec. 43.0695. PROPERTY OWNER CONSENT REQUIRED FOR CERTAIN AREAS. (a) If the registered voters in the area proposed to be annexed do not own more than 50 percent of the land in the area, the municipality must obtain consent to the annexation through a petition signed by more than 50 percent of the owners of land in the area in addition to the election required by this subchapter.

(b) The municipality must obtain the consent required by this section through the petition process prescribed by Section 43.0685, and the petition must be verified in the manner provided by Section 43.0686(a).

(c) Notwithstanding Section 43.0685(e), the municipality may provide for an owner of land in the area that is not a resident of the area to sign the petition electronically.

Sec. 43.0696. ELECTION. (a) A municipality shall order an election on the question of annexing an area to be held on the first uniform election date that falls on or after:

(1) the 90th day after the date the governing body of the municipality adopts the resolution under Section 43.0692; or

(2) if the consent of the owners of land in the area is required under Section 43.0695, the 78th day after the date the petition period to obtain that consent ends.

(b) An election under this section shall be held in the same manner as general elections of the municipality. The municipality shall pay for the costs of holding the election.

(c) A municipality that holds an election under this section may not hold another election on the question of annexation before the corresponding uniform election date of the following year.

Sec. 43.0697. RESULTS OF ELECTION AND PETITION. (a) Following an election held under this subchapter, the municipality must notify the residents of the area proposed to be annexed of the results of the election and, if applicable, of the petition required by Section 43.0695.

(b) If at the election held under this subchapter a majority of qualified voters do not approve the proposed annexation, or if the municipality is required to petition owners of land in the area under Section 43.0695 and does not obtain the required number of signatures, the municipality may not annex the area and may not adopt another resolution under Section 43.0692 to annex the area until the first anniversary of the date of the adoption of the resolution.

(c) If at the election held under this subchapter a majority of qualified voters approve the proposed annexation, and if the municipality, as applicable, obtains the required number of petition signatures under Section 43.0695, the municipality may annex the area after:

(1) providing notice under Subsection (a);

(2) holding a public hearing at which members of the public are given an opportunity to be heard; and

(3) holding a final public hearing not earlier than the 10th day after the date of the public hearing under Subdivision (2) at which the ordinance annexing the area may be adopted.

Sec. 43.0698. VOTER APPROVAL BY MUNICIPAL RESIDENTS ON PETITION. If a petition protesting the annexation of an area under this subchapter is signed by a number of registered voters of the municipality proposing the annexation equal to at least 50 percent of the number of voters who voted in the most recent municipal election and is received by the secretary of the municipality before the date the election required by this subchapter is held, the municipality may not complete the annexation of the area without approval of a majority of the voters of the municipality voting at a separate election called and held for that purpose.

Sec. 43.0699. RETALIATION FOR ANNEXATION DISAPPROVAL PROHIBITED. (a) The disapproval of the proposed annexation of an area under this subchapter does not affect any existing legal obligation of the municipality proposing the annexation to continue to provide governmental services in the area, including water or wastewater services.

(b) The municipality may not initiate a rate proceeding solely because of the disapproval of a proposed annexation of an area under this subchapter.

SECTION 26. Subchapter D, Chapter 43, Local Government Code, is amended by adding Section 43.0711 to read as follows:

Sec. 43.0711. LIMITATION ON AUTHORITY OF CERTAIN MUNICIPALITIES. (a) This section applies only to:

(1) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(2) a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area in a county with a population of 500,000 or more.

(b) With respect to an industrial district designated by the governing body of a municipality under Section 42.044, the municipality may annex all or part of the district under the requirements applicable to a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area wholly located in a county with a population of less than 500,000.

SECTION 27. Sections 43.0715(b) and (c), Local Government Code, are amended to read as follows:

(b) If a municipality with a population of less than 1.5 million annexes a special district for full or limited purposes and the annexation precludes or impairs the ability of the district to issue bonds, the municipality shall, prior to the effective date of the annexation, pay in cash to the landowner or developer of the district a sum equal to all actual costs and expenses incurred by the landowner or developer in connection with the district that the district has, in writing, agreed to pay and that would otherwise have been eligible for reimbursement from bond proceeds under the rules and requirements of the Texas [~~Natural Resource Conservation~~] Commission on Environmental Quality as such rules and requirements exist on the date of annexation. [~~For an annexation that is subject to preclearance by a federal authority, a payment will be considered timely if the municipality: (i) escrows the reimbursable amounts determined in accordance with Subsection (c) prior to the effective date of the annexation; and (ii) subsequently causes the escrowed funds and accrued interest to be disbursed to the developer within five business days after the municipality receives notice of the preclearance.~~]

(c) At the time notice of the municipality's intent to annex the land within the district is first given [~~published~~] in accordance with Section 43.052, 43.0683, or 43.0693, as applicable, the municipality shall proceed to initiate and complete a report for each developer conducted in accordance with the format approved by the Texas [~~Natural Resource Conservation~~] Commission on Environmental Quality for audits. In the event the municipality is unable to complete the report prior to the effective date of the annexation as a result of the developer's failure to provide information to the municipality which cannot be obtained from other sources, the municipality shall obtain from the district the estimated costs of each project previously undertaken by a developer which are eligible for reimbursement. The amount of such costs, as estimated by the district, shall be escrowed by the municipality for the benefit of the persons entitled to receive payment in an insured interest-bearing account with a financial institution authorized to do business in the state. To compensate the developer for the municipality's use of the infrastructure facilities pending the determination of the reimbursement amount [~~or federal preclearance~~], all interest accrued on the escrowed funds shall be paid to the developer whether or not the annexation is valid. Upon placement of the funds in the escrow account, the annexation may become effective. In the event a municipality timely escrows all estimated reimbursable amounts as required by this subsection and all such amounts, determined to be owed, including interest, are subsequently disbursed to the developer within five days of final determination in immediately available funds as required by this section, no penalties or interest shall accrue during the pendency of the escrow.

Either the municipality or developer may, by written notice to the other party, require disputes regarding the amount owed under this section to be subject to nonbinding arbitration in accordance with the rules of the American Arbitration Association.

SECTION 28. Section 43.0751, Local Government Code, is amended by amending Subsection (h) and adding Subsections (s) and (t) to read as follows:

(h) On the full-purpose annexation conversion date set forth in the strategic partnership agreement pursuant to Subsection (f)(5) [~~(f)(5)(A)~~], the land included within the boundaries of the district shall be deemed to be within the full-purpose boundary limits of the municipality without the need for further action by the governing body of the municipality. The full-purpose annexation conversion date established by a strategic partnership agreement may be altered only by mutual agreement of the district and the municipality. However, nothing herein shall prevent the municipality from terminating the agreement and instituting proceedings to annex the district, on request by the governing body of the district, on any date prior to the full-purpose annexation conversion date established by the strategic partnership agreement under the procedures applicable to a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area wholly located in a county with a population of less than 500,000. Land annexed for limited or full purposes under this section shall not be included in calculations prescribed by Section 43.055(a).

(s) Notwithstanding any other law and except as provided by Subsection (t), the procedures prescribed by Subchapters C-3, C-4, and C-5 do not apply to the annexation of an area under this section. Except as provided by Subsections (h) and (t), a municipality shall follow the procedures established under the strategic partnership agreement for full-purpose annexation of an area under this section.

(t) This subsection applies only to a municipality with a population of less than 850,000 that is served by a municipally owned electric utility with 400,000 or more customers and that is wholly or partly located in a county with a population of 500,000 or more. Notwithstanding the provisions of this section, a municipality that annexes an area under a strategic partnership agreement executed on or after September 1, 2009, must annex the area in compliance with Subchapter C-3, C-4, or C-5.

SECTION 29. The heading to Section 43.101, Local Government Code, is amended to read as follows:

Sec. 43.101. ANNEXATION OF MUNICIPALLY OWNED RESERVOIR [~~BY GENERAL LAW MUNICIPALITY~~].

SECTION 30. Section 43.101(c), Local Government Code, is amended to read as follows:

(c) The area may be annexed without the consent of any [~~the~~] owners or residents of the area under the procedures applicable to a municipality described by Subdivision (1) by:

(1) a municipality wholly located in one or more counties each with a population of less than 500,000; and

(2) if there are no owners other than the municipality or residents of the area:

(A) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(B) a municipality described by Subdivision (1) that proposes to annex an area in a county with a population of 500,000 or more.

SECTION 31. Section 43.102(c), Local Government Code, is amended to read as follows:

(c) The area may be annexed without the consent of any [~~the~~] owners or residents of the area under the procedures applicable to a municipality described by Subdivision (1) that proposes to annex an area wholly located in a county with a population of less than 500,000 by:

(1) a municipality wholly located in one or more counties each with a population of less than 500,000; and

(2) if there are no owners other than the municipality or residents of the area:

(A) a municipality wholly or partly located in a county with a population of 500,000 or more; and

(B) a municipality described by Subdivision (1) that proposes to annex an area in a county with a population of 500,000 or more.

SECTION 32. Section 43.1025(c), Local Government Code, is amended to read as follows:

(c) The area described by Subsection (b) may be annexed under the requirements applicable to a municipality wholly or partly located in a county with a population of 500,000 or more [~~without the consent of the owners or residents of the area~~], but the annexation may not occur unless each municipality in whose extraterritorial jurisdiction the area may be located:

(1) consents to the annexation; and

(2) reduces its extraterritorial jurisdiction over the area as provided by Section 42.023.

SECTION 33. The heading to Section 43.103, Local Government Code, is amended to read as follows:

Sec. 43.103. ANNEXATION OF STREETS, HIGHWAYS, AND OTHER WAYS BY CERTAIN GENERAL-LAW MUNICIPALITIES [~~MUNICIPALITY~~].

SECTION 34. Section 43.103(a), Local Government Code, is amended to read as follows:

(a) Subject to Section 43.1055(b), a [~~A~~] general-law municipality with a population of 500 or more wholly located in one or more counties each with a population of less than 500,000 may annex, by ordinance and without the consent of any person, the part of a street, highway, alley, or other public or private way, including a railway line, spur, or roadbed, that is adjacent and runs parallel to the boundaries of the municipality.

SECTION 35. Section 43.105, Local Government Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

(a) This section applies only to:

(1) a [~~A~~] general-law municipality that:

(A) has a population of 1,066-1,067;

(B) [~~and~~] is wholly located in a county with a population of 85,000 or more and less than 500,000; and

(C) [~~that~~] is not adjacent to a county with a population of 2 million or more;[~~,~~] or

(2) a general-law municipality that:

(A) has a population of 6,000-6,025; and

(B) is wholly located in a county with a population of less than 500,000.

(a-1) Subject to Section 43.1055(b), a municipality described by Subsection (a) may annex, by ordinance and without the consent of any person, a public street, highway, road, or alley adjacent to the municipality.

SECTION 36. Subchapter E, Chapter 43, Local Government Code, is amended by adding Section 43.1055 to read as follows:

Sec. 43.1055. ANNEXATION OF ROADS AND RIGHTS-OF-WAY IN CERTAIN LARGE COUNTIES. (a) Notwithstanding any other law, a municipality wholly or partly located in a county with a population of 500,000 or more may by ordinance annex a road or the right-of-way of a road on request of the owner of the road or right-of-way or the governing body of the political subdivision that maintains the road or right-of-way under the procedures applicable to a municipality wholly located in one or more counties each with a population of less than 500,000 that proposes to annex an area wholly located in a county with a population of less than 500,000.

(b) A municipality described by Section 43.103 or 43.105 that proposes to annex a road or right-of-way in a county with a population of 500,000 or more must comply with this section.

SECTION 37. Sections 43.121(a) and (c), Local Government Code, are amended to read as follows:

(a) Subject to Section 43.1211, the [~~The~~] governing body of a home-rule municipality with more than 225,000 inhabitants by ordinance may annex an area for the limited purposes of applying its planning, zoning, health, and safety ordinances in the area.

(c) The provisions of this subchapter, other than Sections 43.1211 and [~~Section~~] 43.136, do not affect the authority of a municipality to annex an area for limited purposes under Section 43.136 or any other statute granting the authority to annex for limited purposes.

SECTION 38. Subchapter F, Chapter 43, Local Government Code, is amended by adding Section 43.1211 to read as follows:

Sec. 43.1211. AUTHORITY OF MUNICIPALITIES WHOLLY OR PARTLY LOCATED IN COUNTY WITH POPULATION OF 500,000 OR MORE TO ANNEX FOR LIMITED PURPOSES. Except as provided by Section 43.0751, beginning September 1, 2017, a municipality to which Subchapters C-2 through C-5 apply may annex an area for the limited purposes of applying its planning, zoning, health, and safety ordinances in the area using the procedures under Subchapter C-3, C-4, or C-5, as applicable.

SECTION 39. Sections 43.141(a) and (b), Local Government Code, are amended to read as follows:

(a) A majority of the qualified voters of an annexed area may petition the governing body of the municipality to disannex the area if the municipality fails or refuses to provide services or to cause services to be provided to the area:

(1) if the municipality is wholly located in one or more counties each with a population of less than 500,000, within the period specified by Section 43.056 or by the service plan prepared for the area under that section; or

(2) if the municipality is wholly or partly located in a county with a population of 500,000 or more or is a municipality described by Subdivision (1) that annexed the area in a county with a population of 500,000 or more, within the period specified by the written agreement under Section 43.0672 or the resolution under Section 43.0682 or 43.0692, as applicable.

(b) If the governing body fails or refuses to disannex the area within 60 days after the date of the receipt of the petition, any one or more of the signers of the petition may bring a cause of action in a district court of the county in which the area is principally located to request that the area be disannexed. On the filing of an answer by the governing body, and on application of either party, the case shall be advanced and heard without further delay in accordance with the Texas Rules of Civil Procedure. The district court shall enter an order disannexing the area if the court finds that a valid petition was filed with the municipality and that the municipality failed to:

(1) perform its obligations in accordance with:

(A) the service plan under Section 43.056;

(B) the written agreement entered into under Section 43.0672; or

(C) the resolution adopted under Section 43.0682 or 43.0692, as applicable; or

(2) [~~failed to~~] perform in good faith.

SECTION 40. Sections 43.203(a) and (b), Local Government Code, are amended to read as follows:

(a) Notwithstanding any other law, the [~~The~~] governing body of a district by resolution may petition a municipality to alter the annexation status of land in the district from full-purpose annexation to limited-purpose annexation.

(b) On receipt of the district's petition, the governing body of the municipality shall enter into negotiations with the district for an agreement to alter the status of annexation that must:

(1) specify the period, which may not be less than 10 years beginning on January 1 of the year following the date of the agreement, in which limited-purpose annexation is in effect;

(2) provide that, at the expiration of the period, the district's annexation status will automatically revert to full-purpose annexation without following procedures provided by Sections 43.014 and 43.052 [~~43.051~~] through 43.055 or any other procedural requirement for annexation not in effect on January 1, 1995; and

(3) specify the financial obligations of the district during and after the period of limited-purpose annexation for:

(A) facilities constructed by the municipality that are in or that serve the district;

(B) debt incurred by the district for water and sewer infrastructure that will be assumed by the municipality at the end of the period of limited-purpose annexation; and

(C) use of the municipal sales taxes collected by the municipality for facilities or services in the district.

SECTION 41. Section 43.905(a), Local Government Code, is amended to read as follows:

(a) A municipality that proposes to annex an area shall provide written notice of the proposed annexation to each public school district located in the area proposed for annexation within the period prescribed for providing [~~publishing~~] the notice of the first hearing under Section 43.0561, [~~or~~] 43.063, 43.0673, 43.0683, or 43.0693, as applicable.

SECTION 42. Subchapter Z, Chapter 43, Local Government Code, is amended by adding Section 43.9051 to read as follows:

Sec. 43.9051. EFFECT OF ANNEXATION ON PUBLIC ENTITIES OR POLITICAL SUBDIVISIONS. (a) In this section, "public entity" includes a county, fire protection service provider, including a volunteer fire department, emergency medical services provider, including a volunteer emergency medical services provider, or special district, as that term is defined by Section 43.052.

(b) A municipality that proposes to annex an area shall provide written notice of the proposed annexation within the period prescribed for providing the notice of the first hearing under Section 43.0561, 43.063, 43.0673, 43.0683, or 43.0693, as applicable, to each public entity that is located in or provides services to the area proposed for annexation.

(c) A municipality that proposes to enter into a strategic partnership agreement under Section 43.0751 shall provide written notice of the proposed agreement within the period prescribed for providing the notice of the first hearing under Section 43.0751 to each political subdivision that is located in or provides services to the area subject to the proposed agreement.

(d) A notice to a public entity or political subdivision shall contain a description of:

(1) the area proposed for annexation;

(2) any financial impact on the public entity or political subdivision resulting from the annexation, including any changes in the public entity's or political subdivision's revenues or maintenance and operation costs; and

(3) any proposal the municipality has to abate, reduce, or limit any financial impact on the public entity or political subdivision.

(e) The municipality may not proceed with the annexation unless the municipality provides the required notice under this section.

SECTION 43. Section 8395.151, Special District Local Laws Code, is amended to read as follows:

Sec. 8395.151. ANNEXATION BY MUNICIPALITY. (a) The governing body of a [~~A~~] municipality that plans to [~~may~~] annex all or part of the district first must adopt a resolution of intention to annex all or part of the district and transmit that resolution to the district and the following districts:

(1) Travis County Municipal Utility District No. 4;

(2) Travis County Municipal Utility District No. 5;
(3) Travis County Municipal Utility District No. 6;
(4) Travis County Municipal Utility District No. 7;
(5) Travis County Municipal Utility District No. 8;
(6) Travis County Municipal Utility District No. 9; and
(7) Travis County Water Control and Improvement District No. 19.

(b) On receipt of a resolution described by Subsection (a), the district and each of the districts listed in Subsection (a) shall call an election to be held on the next uniform election date on the question of whether the annexation should be authorized.

(c) The municipality may annex the territory described by the resolution only if a majority of the total number of voters voting in all of the districts' elections vote in favor of authorizing the annexation.

(d) The municipality seeking annexation shall pay the costs of the elections held under this section [~~on the earlier of:~~

[~~(1) the installation of 90 percent of all works, improvements, facilities, plants, equipment, and appliances necessary and adequate to:~~

[~~(A) provide service to the proposed development within the district;~~
[~~(B) accomplish the purposes for which the district was created; and~~
[~~(C) exercise the powers provided by general law and this chapter; or~~

[~~(2) the 20th anniversary of the date the district was confirmed~~].

SECTION 44. Section 8396.151, Special District Local Laws Code, is amended to read as follows:

Sec. 8396.151. ANNEXATION BY MUNICIPALITY. (a) The governing body of a [~~A~~] municipality that plans to [~~may~~] annex all or part of the district first must adopt a resolution of intention to annex all or part of the district and transmit that resolution to the district and the following districts:

(1) Travis County Municipal Utility District No. 3;
(2) Travis County Municipal Utility District No. 5;
(3) Travis County Municipal Utility District No. 6;
(4) Travis County Municipal Utility District No. 7;
(5) Travis County Municipal Utility District No. 8;
(6) Travis County Municipal Utility District No. 9; and
(7) Travis County Water Control and Improvement District No. 19.

(b) On receipt of a resolution described by Subsection (a), the district and each of the districts listed in Subsection (a) shall call an election to be held on the next uniform election date on the question of whether the annexation should be authorized.

(c) The municipality may annex the territory described in the resolution only if a majority of the total number of voters voting in all of the districts' elections vote in favor of authorizing the annexation.

(d) The municipality seeking annexation shall pay the costs of the elections held under this section [~~on the earlier of:~~

[~~(1) the installation of 90 percent of all works, improvements, facilities, plants, equipment, and appliances necessary and adequate to:~~

[~~(A) provide service to the proposed development within the district;~~
[~~(B) accomplish the purposes for which the district was created; and~~
[~~(C) exercise the powers provided by general law and this chapter; or~~

[~~(2) the 20th anniversary of the date the district was confirmed~~].

SECTION 45. Section 8397.151, Special District Local Laws Code, is amended to read as follows:

Sec. 8397.151. ANNEXATION BY MUNICIPALITY. (a) The governing body of a [~~A~~] municipality that plans to [~~may~~] annex all or part of the district first must adopt a resolution of intention to annex all or part of the district and transmit that resolution to the district and the following districts:

(1) Travis County Municipal Utility District No. 3;

(2) Travis County Municipal Utility District No. 4;

(3) Travis County Municipal Utility District No. 6;

(4) Travis County Municipal Utility District No. 7;

(5) Travis County Municipal Utility District No. 8;

(6) Travis County Municipal Utility District No. 9; and

(7) Travis County Water Control and Improvement District No. 19.

(b) On receipt of a resolution described by Subsection (a), the district and each of the districts listed in Subsection (a) shall call an election to be held on the next uniform election date on the question of whether the annexation should be authorized.

(c) The municipality may annex the territory described in the resolution only if a majority of the total number of voters voting in all of the districts' elections vote in favor of authorizing the annexation.

(d) The municipality seeking annexation shall pay the costs of the elections held under this section [~~on the earlier of:~~

[~~(1) the installation of 90 percent of all works, improvements, facilities, plants, equipment, and appliances necessary and adequate to:~~

[~~(A) provide service to the proposed development within the district;~~

[~~(B) accomplish the purposes for which the district was created; and~~

[~~(C) exercise the powers provided by general law and this chapter; or~~

[~~(2) the 20th anniversary of the date the district was confirmed~~].

SECTION 46. Section 8398.151, Special District Local Laws Code, is amended to read as follows:

Sec. 8398.151. ANNEXATION BY MUNICIPALITY. (a) The governing body of a [~~A~~] municipality that plans to [~~may~~] annex all or part of the district first must adopt a resolution of intention to annex all or part of the district and transmit that resolution to the district and the following districts:

(1) Travis County Municipal Utility District No. 3;

(2) Travis County Municipal Utility District No. 4;

(3) Travis County Municipal Utility District No. 5;

(4) Travis County Municipal Utility District No. 7;

(5) Travis County Municipal Utility District No. 8;

(6) Travis County Municipal Utility District No. 9; and

(7) Travis County Water Control and Improvement District No. 19.

(b) On receipt of a resolution described by Subsection (a), the district and each of the districts listed in Subsection (a) shall call an election to be held on the next uniform election date on the question of whether the annexation should be authorized.

(c) The municipality may annex the territory described in the resolution only if a majority of the total number of voters voting in all of the districts' elections vote in favor of authorizing the annexation.

(d) The municipality seeking annexation shall pay the costs of the elections held under this section [~~on the earlier of:~~

[~~(1) the installation of 90 percent of all works, improvements, facilities, plants, equipment, and appliances necessary and adequate to:~~

[~~(A) provide service to the proposed development within the district;~~

[~~(B) accomplish the purposes for which the district was created; and~~

[~~(C) exercise the powers provided by general law and this chapter; or~~

[~~(2) the 20th anniversary of the date the district was confirmed~~].

SECTION 47. Section 8399.151, Special District Local Laws Code, is amended to read as follows:

Sec. 8399.151. ANNEXATION BY MUNICIPALITY. (a) The governing body of a [~~A~~] municipality that plans to [~~may~~] annex all or part of the district first must adopt a resolution of intention to annex all or part of the district and transmit that resolution to the district and the following districts:

(1) Travis County Municipal Utility District No. 3;

(2) Travis County Municipal Utility District No. 4;

(3) Travis County Municipal Utility District No. 5;

(4) Travis County Municipal Utility District No. 6;

(5) Travis County Municipal Utility District No. 8;

(6) Travis County Municipal Utility District No. 9; and

(7) Travis County Water Control and Improvement District No. 19.

(b) On receipt of a resolution described by Subsection (a), the district and each of the districts listed in Subsection (a) shall call an election to be held on the next uniform election date on the question of whether the annexation should be authorized.

(c) The municipality may annex the territory described in the resolution only if a majority of the total number of voters voting in all of the districts' elections vote in favor of authorizing the annexation.

(d) The municipality seeking annexation shall pay the costs of the elections held under this section [~~on the earlier of:~~

[~~(1) the installation of 90 percent of all works, improvements, facilities, plants, equipment, and appliances necessary and adequate to:~~

[~~(A) provide service to the proposed development within the district;~~

[~~(B) accomplish the purposes for which the district was created; and~~

[~~(C) exercise the powers provided by general law and this chapter; or~~

[~~(2) the 20th anniversary of the date the district was confirmed~~].

SECTION 48. Section 8400.151, Special District Local Laws Code, is amended to read as follows:

Sec. 8400.151. ANNEXATION BY MUNICIPALITY. (a) The governing body of a [~~A~~] municipality that plans to [~~may~~] annex all or part of the district first must adopt a resolution of intention to annex all or part of the district and transmit that resolution to the district and the following districts:

(1) Travis County Municipal Utility District No. 3;

(2) Travis County Municipal Utility District No. 4;

(3) Travis County Municipal Utility District No. 5;
(4) Travis County Municipal Utility District No. 6;
(5) Travis County Municipal Utility District No. 7;
(6) Travis County Municipal Utility District No. 9; and
(7) Travis County Water Control and Improvement District No. 19.

(b) On receipt of a resolution described by Subsection (a), the district and each of the districts listed in Subsection (a) shall call an election to be held on the next uniform election date on the question of whether the annexation should be authorized.

(c) The municipality may annex the territory described in the resolution only if a majority of the total number of voters voting in all of the districts' elections vote in favor of authorizing the annexation.

(d) The municipality seeking annexation shall pay the costs of the elections held under this section [~~on the earlier of:~~

[~~(1) the installation of 90 percent of all works, improvements, facilities, plants, equipment, and appliances necessary and adequate to:~~

[~~(A) provide service to the proposed development within the district;~~
[~~(B) accomplish the purposes for which the district was created; and~~
[~~(C) exercise the powers provided by general law and this chapter; or~~

[~~(2) the 20th anniversary of the date the district was confirmed~~].

SECTION 49. Section 8401.151, Special District Local Laws Code, is amended to read as follows:

Sec. 8401.151. ANNEXATION BY MUNICIPALITY. (a) The governing body of a [~~A~~] municipality that plans to [~~may~~] annex all or part of the district first must adopt a resolution of intention to annex all or part of the district and transmit that resolution to the district and the following districts:

(1) Travis County Municipal Utility District No. 3;
(2) Travis County Municipal Utility District No. 4;
(3) Travis County Municipal Utility District No. 5;
(4) Travis County Municipal Utility District No. 6;
(5) Travis County Municipal Utility District No. 7;
(6) Travis County Municipal Utility District No. 8; and
(7) Travis County Water Control and Improvement District No. 19.

(b) On receipt of a resolution described by Subsection (a), the district and each of the districts listed in Subsection (a) shall call an election to be held on the next uniform election date on the question of whether the annexation should be authorized.

(c) The municipality may annex the territory described in the resolution only if a majority of the total number of voters voting in all of the districts' elections vote in favor of authorizing the annexation.

(d) The municipality seeking annexation shall pay the costs of the elections held under this section [~~on the earlier of:~~

[~~(1) the installation of 90 percent of all works, improvements, facilities, plants, equipment, and appliances necessary and adequate to:~~

[~~(A) provide service to the proposed development within the district;~~
[~~(B) accomplish the purposes for which the district was created; and~~
[~~(C) exercise the powers provided by general law and this chapter; or~~

[~~(2) the 20th anniversary of the date the district was confirmed~~].

SECTION 50. Section 8489.109, Special District Local Laws Code, is amended to read as follows:

Sec. 8489.109. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of Section 43.003(2) [~~43.021(2)~~], Local Government Code, or other law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act enacting this chapter is located.

SECTION 51. Section 9038.110, Special District Local Laws Code, is amended to read as follows:

Sec. 9038.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of Section 43.003(2) [~~43.021(2)~~], Local Government Code, or other law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act creating this chapter is located.

SECTION 52. Section 9039.110, Special District Local Laws Code, is amended to read as follows:

Sec. 9039.110. MUNICIPAL ANNEXATION ADJACENT TO DISTRICT. For the purposes of Section 43.003(2) [~~43.021(2)~~], Local Government Code, or other law, including a municipal charter or ordinance relating to annexation, an area adjacent to the district or any new district created by the division of the district is considered adjacent to a municipality in whose corporate limits or extraterritorial jurisdiction any of the land in the area described by Section 2 of the Act creating this chapter is located.

SECTION 53. Subtitle I, Title 6, Special District Local Laws Code, is amended by adding Chapter 9073 to read as follows:

CHAPTER 9073. TRAVIS COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 19; ANNEXATION

Sec. 9073.001. DEFINITION. In this chapter, "district" means the Travis County Water Control and Improvement District No. 19.

Sec. 9073.002. ANNEXATION BY MUNICIPALITY. (a) The governing body of a municipality that plans to annex all or part of the district first must adopt a resolution of intention to annex all or part of the district and transmit that resolution to the district and the following districts:

(1) Travis County Municipal Utility District No. 3;
(2) Travis County Municipal Utility District No. 4;
(3) Travis County Municipal Utility District No. 5;
(4) Travis County Municipal Utility District No. 6;
(5) Travis County Municipal Utility District No. 7;
(6) Travis County Municipal Utility District No. 8; and
(7) Travis County Municipal Utility District No. 9.

(b) On receipt of a resolution described by Subsection (a), the district and each of the districts listed in Subsection (a) shall call an election to be held on the next uniform election date on the question of whether the annexation should be authorized.

(c) The municipality may annex the territory described in the resolution only if a majority of the total number of voters voting in all of the districts' elections vote in favor of authorizing the annexation.

(d) The municipality seeking annexation shall pay the costs of the elections held under this section.

SECTION 54. (a) Sections 43.036, 43.0546, 43.056(d), (h), and (p), 43.0565, 43.0567, 43.1025(e) and (g), and 43.906, Local Government Code, are repealed.

(b) Section 5.701(n)(6), Water Code, is repealed.

(c) The repeal of Section 43.036, Local Government Code, by this Act does not affect a boundary change agreement entered into under that section, the release and transfer of area under a boundary change agreement entered into under that section, or the requirements related to a boundary change agreement entered into under that section.

(d) The repeal of Sections 43.056(d), (h), and (p) and Sections 43.0565 and 43.0567, Local Government Code, by this Act and the change in law made by this Act to Sections 43.056(l) and (n), Local Government Code, do not affect a right, requirement, limitation, or remedy provided for under those sections and applicable in an area annexed by a municipality for which the first hearing notice required by Section 43.0561 or 43.063, Local Government Code, as applicable, was published before September 1, 2017.

SECTION 55. The changes in law made by this Act do not apply to an area that is the subject of an agreement between a municipality with a population of more than 1.3 million and less than 1.5 million according to the 2010 federal decennial census and a municipality with a population of more than 18,050 and less than 18,200 according to the 2010 federal decennial census that contains a plan that is approved by the municipalities before the effective date of this Act for phased boundary adjustments between the municipalities, releases of extraterritorial jurisdiction by the more populous municipality, and annexations by the less populous municipality. A municipal boundary adjustment, release of extraterritorial jurisdiction, or annexation contained in a plan under an agreement described by this section is governed by the law in effect at the time the agreement was approved by the municipalities, and the former law is continued in effect for that purpose.

SECTION 56. The changes in law made by this Act apply to the annexation of an area subject to a development agreement entered into by a municipality with a population of more than 227,000 and less than 236,000, according to the 2010 federal decennial census, under Section 212.172, Local Government Code, before the effective date of this Act that is initiated on or after the expiration date provided for in the agreement. The annexation of an area subject to the agreement that is initiated before the expiration date of the agreement as the result of a termination of the agreement is governed by the law in effect on January 1, 2017, and the former law is continued in effect for that purpose.

SECTION 57. The changes in law made by this Act apply only to the annexation of an area that is not final on the effective date of this Act. An annexation of an area that was final before the effective date of this Act is governed by those portions of Chapter 43, Local Government Code, that relate to post-annexation procedures and requirements in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 58. This Act takes effect September 1, 2017.

The Conference Committee Report on **SB 715** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 1643

Senator Seliger submitted the following Conference Committee Report:

Austin, Texas
May 25, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 1643** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

SELIGER	SPRINGER
HUGHES	NEVÁREZ
RODRÍGUEZ	SIMMONS
HANCOCK	KACAL
PERRY	CANALES
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 1643** was filed with the Secretary of the Senate.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 22

Senator Taylor of Galveston submitted the following Conference Committee Report:

Austin, Texas
May 27, 2017

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 22** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

TAYLOR OF GALVESTON	HUBERTY
BETTENCOURT	BERNAL
HANCOCK	K. KING
HUGHES	DUTTON
WEST	VANDEAVER
On the part of the Senate	On the part of the House

The Conference Committee Report on **HB 22** was filed with the Secretary of the Senate.

CO-AUTHOR OF SENATE BILL 179

On motion of Senator Menéndez, Senator West will be shown as Co-author of **SB 179**.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolution

SR 917 by Zaffirini, Hinojosa, and Lucio, In memory of Mario E. Ramirez.

Congratulatory Resolutions

SR 915 by Zaffirini, Recognizing The Arc of the Capital Area for its pro bono guardianship program.

SR 916 by Zaffirini and Campbell, Recognizing Roxanne's House on the occasion of its 20th anniversary.

SR 919 by Hughes, Recognizing Zachary Cousin for his heroism.

SR 920 by West, Recognizing David Leon Ford Jr. on the occasion of his retirement.

SR 921 by West, Recognizing Fred Davis III on the occasion of his retirement.

SR 922 by Lucio, Recognizing Amanda Fuentes on the occasion of her graduation.

SR 923 by Lucio, Recognizing Valerie A. Martinez for her contributions to the Austin community.

SR 925 by Garcia, Recognizing Diane Schenke for her contributions to the East End area of Houston.

ADJOURNMENT

On motion of Senator Whitmire, the Senate at 8:13 p.m. adjourned, in memory of Joseph Ray Perry, Barbara Smith Conrad, Isiah L. Booker, Juan L. Castro, Jake Frederick, Lucas Maurice Lowe, James F. Moriarty, Dustin Lee Mortenson, Jordan B. Pierson, and Travis R. Tamayo, until 1:00 p.m. tomorrow.

APPENDIX

BILLS AND RESOLUTIONS ENROLLED

May 26, 2017

SB 8, SB 73, SB 102, SB 195, SB 227, SB 255, SB 262, SB 315, SB 396, SB 441, SB 532, SB 546, SB 554, SB 564, SB 570, SB 588, SB 589, SB 674, SB 744, SB 749, SB 769, SB 825, SB 830, SB 840, SB 873, SB 922, SB 928, SB 948, SB 969, SB 1004, SB 1005, SB 1009, SB 1037, SB 1047, SB 1051, SB 1063, SB 1066, SB 1076, SB 1089, SB 1123, SB 1129, SB 1158, SB 1177, SB 1205, SB 1233, SB 1250, SB 1304, SB 1353, SB 1371, SB 1383, SB 1384, SB 1501, SB 1503, SB 1522, SB 1538, SB 1571, SB 1649, SB 1676, SB 1727, SB 1735, SB 1767, SB 1813, SB 1842, SB 1878, SB 1893, SB 1910, SB 1911, SB 1944, SB 2068, SB 2084, SB 2141, SB 2166, SB 2174, SB 2212, SB 2242, SB 2267, SB 2275, SB 2280, SB 2283, SR 893, SR 896, SR 897, SR 900, SR 901, SR 902, SR 903, SR 904, SR 905, SR 906, SR 907, SR 908, SR 909, SR 912, SR 913, SR 914

SENT TO GOVERNOR

May 27, 2017

SB 102, SB 227, SB 396, SB 441, SB 546, SB 554, SB 564, SB 570, SB 588, SB 589, SB 744, SB 749, SB 769, SB 825, SB 830, SB 840, SB 873, SB 922, SB 928, SB 948, SB 969, SB 1004, SB 1005, SB 1009, SB 1037, SB 1047, SB 1051, SB 1063, SB 1089, SB 1123, SB 1158, SB 1177, SB 1205, SB 1250, SB 1353, SB 1371, SB 1384, SB 1501, SB 1522, SB 1676, SB 1727, SB 1735, SB 1767, SB 1878, SB 1944, SB 2068, SB 2084, SB 2141, SB 2166, SB 2174, SB 2267, SB 2275, SB 2280, SB 2283

SIGNED BY GOVERNOR

May 27, 2017

SB 12, SB 22, SB 42, SB 208, SB 252, SB 510, SB 528, SB 539, SB 560, SB 573, SB 718, SB 720, SB 735, SB 752, SB 887, SB 952, SB 966, SB 1107, SB 1367

In Memory

of

Joseph Ray Perry

Senate Resolution 860

WHEREAS, The Senate of the State of Texas honors and commemorates the life of Joseph Ray Perry, who died April 27, 2017, at the age of 92; and

WHEREAS, Ray Perry was an exemplary citizen and a hardworking West Texas farmer who loved his land and was dedicated to serving his community; and

WHEREAS, He was born on April 23, 1925, in the Haskell County community of Paint Creek to Hoyt and Thelma Perry; a lifelong resident of Haskell County, he served the nation with distinction in the United States Army Air Corps during World War II; he flew 35 missions over Nazi Germany as a tail gunner in B-17 bombers, and he was awarded multiple medals for his exemplary service; and

WHEREAS, He married Amelia June Holt at the Haskell Methodist Church on June 29, 1948, and the couple enjoyed nearly 70 years of marriage together; they raised two children, Milla Perry Jones and James Richard "Rick" Perry, and they were blessed with three grandchildren and two great-grandchildren; and

WHEREAS, In addition to working his land, Ray Perry was active in a wide range of political and community endeavors; he served for nearly 30 years as a Haskell County commissioner and for 10 years as a member of the Paint Creek school board; he served for six years on the West Central Texas Council of Governments, and he was instrumental in the creation of the Paint Creek Water Corporation and twice served as its president; and

WHEREAS, An avid hunter and outdoorsman, he was known for his numerous wild game trophies; one of the highlights of his hunting trips was killing an Alaskan first-class caribou that has been listed in the *Guinness Book of World Records*; and

WHEREAS, Ray Perry was a man of courage, faith, and patriotism; he gave unselfishly to others and to his community, and his enthusiasm for living each day to the fullest will not be forgotten by those who were privileged to share in his life; and

WHEREAS, He was a devoted husband, father, and grandfather, and he leaves behind memories that will be cherished forever by his family and many friends; now, therefore, be it

RESOLVED, That the Senate of the State of Texas, 85th Legislature, hereby extend sincere condolences to the bereaved family of Joseph Ray Perry; and, be it further

RESOLVED, That a copy of this Resolution be prepared for his family as an expression of deepest sympathy from the Texas Senate and that when the Senate adjourns this day, it do so in memory of Joseph Ray Perry.

PERRY

In Memory

of

Barbara Smith Conrad

Senate Resolution 933

WHEREAS, Countless people were inspired by the grace and courage of famed mezzo-soprano Barbara Smith Conrad, who died on May 22, 2017, at the age of 79; and

WHEREAS, Raised in the East Texas town of Center Point, Barbara Louise Smith excelled in UIL singing and debate competitions and was recruited by The University of Texas at Austin; she enrolled in 1956, the first year in which African American undergraduates were admitted; a faculty member urged her to audition for the female lead in the College of Fine Arts production of the opera *Dido and Aeneas*; when she won the role, segregationists protested her being cast opposite a white male, but she persevered despite threatening calls and a physical attack; ultimately she was advised by university administrators that she could not appear in the production; the controversy drew national attention, and superstar Harry Belafonte offered to sponsor her studies at any school in the country; though shocked and hurt by the injustice, she was committed to the integration of UT and chose to complete her degree in music; and

WHEREAS, With assistance from Mr. Belafonte and former first lady Eleanor Roosevelt, she moved to New York after graduation; because there was already a Barbara Smith in Actor's Equity, she adopted her father's first name, Conrad, as part of her stage name; although she was passed over for some roles because of her race, her career flourished nonetheless, and in 1977, she played another pioneer, Marian Anderson, in the movie *Eleanor and Franklin: The White House Years*; she spent eight years with the Metropolitan Opera and performed with other noted companies, among them the Vienna State Opera, the New York City Opera, and Venezuela's Teatro Nacional; under the direction of Lorin Maazel, Leonard Bernstein, and other renowned conductors, she sang with many of the world's greatest orchestras, including the New York Philharmonic and the London, Boston, Cleveland, and Detroit symphonies; she also earned critical acclaim with an album of the spirituals she had loved since her youth, and she was the cofounder and codirector of the Wagner Theater Program at the Manhattan School of Music, as well as an eminent private vocal coach; and

WHEREAS, Ms. Conrad was named a Distinguished Alumna of UT in 1985, and the university established the Barbara Smith Conrad Endowed Presidential Scholarship in Fine Arts; reconnected to her alma mater, she performed and taught master classes, and in 2012, she was appointed as a visiting professor and artist-in-residence at the Butler School of Music; she spoke at the College of Fine Arts commencement ceremony that year and

became an artistic adviser and ambassador for the American Spirituals Initiative at the Dolph Briscoe Center for American History; the center produced a biographical documentary, *When I Rise: The Story of Barbara Smith Conrad*, which premiered at the 2010 South by Southwest Film Festival and aired nationally on PBS; the film includes her deeply moving 2009 performance in the Capitol Rotunda on the occasion of her recognition by the Texas Legislature; her myriad accolades also include the Texas Medal of Arts Award for Lifetime Achievement and the History-Making Texan Award; and

WHEREAS, The loss of Barbara Smith Conrad is keenly felt by The University of Texas community and by all who were privileged to share in the richness of her life, but her outstanding contributions as an artist and trailblazer will continue to resonate in the years to come; now, therefore, be it

RESOLVED, That the Senate of the 85th Texas Legislature hereby pay tribute to the memory of Barbara Smith Conrad and extend sincere condolences to her loved ones; and, be it further

RESOLVED, That an official copy of this resolution be prepared for her family and that when the Texas Senate adjourns this day, it do so in memory of Barbara Smith Conrad.

HUGHES
WATSON