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TEXAS LEGISLATIVE COUNCIL

THE SENATE OF TEXAS

HOUSE OF REPRESENTATIVES

Summary of Enactments
67th Legislature, 2nd Called Session

Information Report No. 82-2
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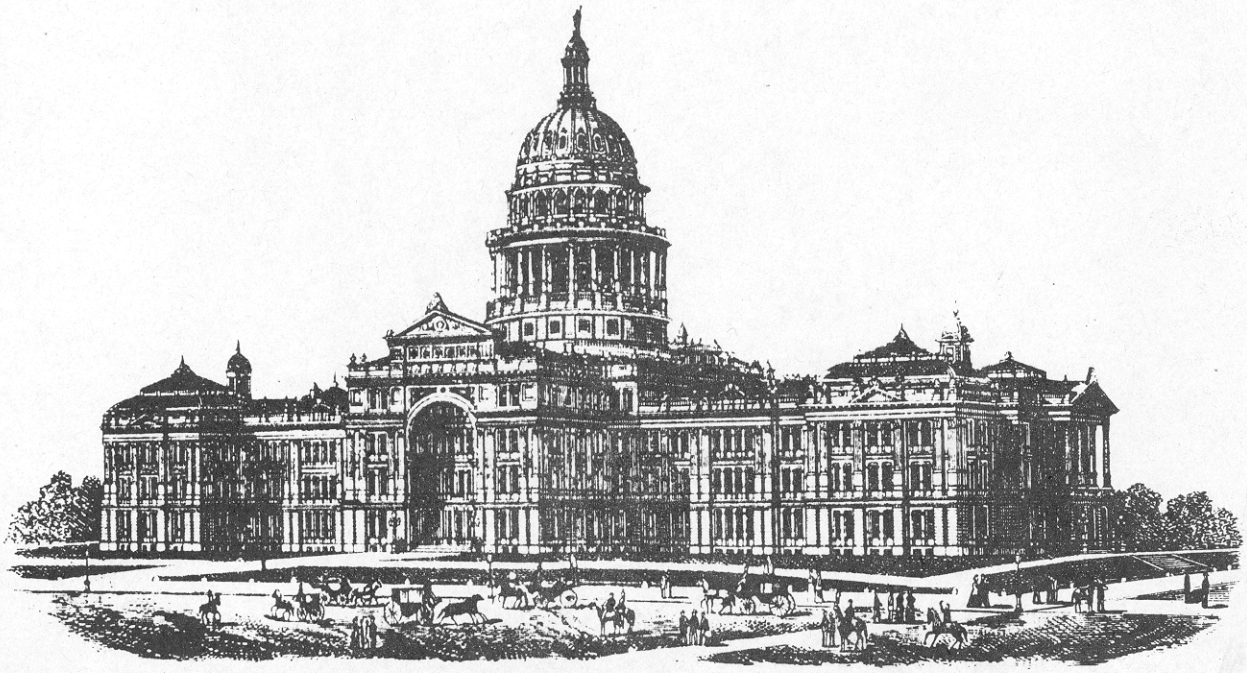

SUMMARY OF ENACTMENTS

67TH LEGISLATURE

2nd Called Session

1982

Prepared by the Staff

of the

Texas Legislative Council

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of the

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FOREWORD

This information report provides synopses of all bills enacted during the 1982 2nd called session. Summaries of joint resolutions passed by the legislature, proposing amendments to the Texas Constitution, are also included.

The publication is intended to be a convenient reference for the main features of adopted measures. A summary of an act should not be considered a comprehensive or legal analysis or used as a source of authority for legal interpretation. A person should examine the enrolled version of any piece of legislation to obtain a fuller understanding of its application and implications.

Copies of enrolled bills and resolutions from the 2nd called session of the 67th Legislature may be obtained from house and senate document distribution offices until November, 1982, when bill prefiling will begin for the 68th Legislature. House measures are available from the House Document Distribution Office, located in room 315 in the John H. Reagan State Office Building [P.O. Box 12128, Austin, Texas 78711; phone (512) 475-8452]. Senate measures are available from the Senate Document Distribution Office, located in room G27H in the Capitol [P.O. Box 12086, Austin, Texas 78711; phone (512) 475-2520]. The charge for copies is 15 cents per page.

ENACTMENTS OF THE SECOND CALLED SESSION

The 2nd Called Session of the 67th Legislature was convened on May 24, 1982, with a governor's call that included two topics: (1) repeal of the state property tax; and (2) a one-time emergency allocation for construction programs at 17 state universities previously supported by the tax. On May 26, 1982, the governor added six topics to the call. Legislation relating to the following submitted subjects was enacted: appropriations to the Texas Department of Corrections, the Board of Pardons and Paroles, and the Texas Adult Probation Commission; correction of technical problems in House Joint Resolution 62 (67th Legislature, Regular Session, 1981); maximum interest rates on general obligation bonds; and property tax exemptions for implements of husbandry. Major legislation relating to all of these items was enacted.

The legislature was in session through May 28, 1982, the session lasting 5 of the 30 days allowed by the state constitution for a special session. During that time, 20 bills and 11 proposals to amend the Texas Constitution (joint resolutions) were introduced in the house of representatives, and 8 bills and 10 joint resolutions were introduced in the senate. Of these, two bills were passed and sent to the governor for his signature; four joint resolutions were passed.

HOUSE JOINT RESOLUTION 1
HOUSE AUTHOR: Clayton, et al.
SENATE SPONSOR: Snelson

House Joint Resolution 1 proposes a constitutional amendment that would repeal Article VII, Section 17, of the Texas Constitution, which levies a state ad valorem tax to fund construction of permanent improvements at 17 specified institutions of higher education.

Article VIII, Section 1-e, of the Texas Constitution would be amended to prohibit state ad valorem taxes (the section currently prohibits state ad valorem taxes other than the Article VII, Section 17, tax). It would also be amended to allow the counties to collect and retain delinquent taxes, to authorize the legislature to distribute any tax receipts not previously distributed, and to authorize the 17 institutions to use funds distributed to them for repair and renovation of existing permanent improvements (the constitution currently provides that such tax funds be used only for purposes of acquiring, constructing, and initially equipping buildings or other permanent improvements at

the 17 institutions of higher education).

The proposed amendment would also validate the assessment ratio for the state ad valorem tax set forth in the Property Tax Code enacted by the 66th Legislature in 1979.

The resolution provides for the submission of the proposed constitutional amendment to the voters at the election to be held on November 2, 1982.

HOUSE BILL 1 HOUSE AUTHOR: Clayton, et al.
EFFECTIVE: see below SENATE SPONSOR: Snelson

House Bill 1 appropriates funds to certain institutions of higher education for the construction of permanent improvements, acquisition of land, and major repair and rehabilitation projects.

These institutions have previously received funds from the state ad valorem tax imposed by Article VII, Section 17, of the Texas Constitution. However, House Joint Resolution 1, passed in the 2nd Called Session, would repeal the ad valorem tax, remove the present prohibition against the institutions' receiving general revenue funds for the acquiring or constructing of buildings or other permanent improvements, and authorize the legislature to distribute any tax receipts not previously distributed.

The act appropriates a total of $151,467,500, of which approximately $17,440,780 is to be financed from undistributed ad valorem tax collections, and the balance of $134,026,720 is to come from the general revenue fund.

The act is contingent on voter approval of the constitutional amendment proposed by House Joint Resolution 1 and is effective on the date the amendment becomes a part of the Texas Constitution.

HOUSE BILL 9 HOUSE AUTHOR: Tow
EFFECTIVE: 6-4-82 SENATE SPONSOR: Farabee

House Bill 9 provides an appropriation from the general revenue fund for the construction of facilities to relieve the overcrowded conditions and improve the staffing and transportation system of the Texas Department of Corrections. The bill includes appropriations of $51.1 million for the department of corrections to adapt permanent buildings for inmate housing and construct additional cell units, and to expand the department security and staff. The funds are to be used strictly for existing or ongoing projects rather than for the initiation of projects that would necessitate emergency appropriations from the 68th Legislature for their completion.

The bill additionally appropriates $2 million to the Texas Board of Pardons and Paroles for administration of the parole program, $2.5 million to the Texas Adult Probation Commission for

additional supervisory personnel and establishment of residential treatment centers to deal with felons operating under supervised probation, and $250,000 to pay for attorneys' fees for the defense of Texas Department of Corrections inmates who are prosecuted for offenses committed while in custody.

The bill also limits to $10,000 payments for attorneys' fees in inmate suits against the state. The limit may be exceeded only by specific appropriation.

In a matter not related to prisons, the bill appropriates $86,000 to the secretary of state to cover the cost of publishing proposed constitutional amendments.

SENATE JOINT RESOLUTION 6
SENATE AUTHOR: Farabee, et al.
HOUSE SPONSOR: Clayton

Article III, Section 65, of the Texas Constitution sets the maximum weighted annual interest rate at six percent for all constitutionally authorized public bonds for which the constitution specifies a maximum rate of interest. The provision was amended in 1981 to allow the Veterans' Land Board to issue bonds with a maximum net effective rate of 10 percent unless otherwise provided by law.

The purpose of Senate Joint Resolution 6 is to allow state governmental entities to sell bonds at a competitive rate by raising from 6 to 12 percent the allowable weighted average interest rate on most constitutionally authorized bonds other than Veterans' Land Board bonds.

The resolution provides for the submission of the proposed constitutional amendment to the voters at an election to be held on November 2, 1982.

SENATE JOINT RESOLUTION 8
SENATE AUTHOR: Wilson
HOUSE SPONSOR: Sharp

The exemption from ad valorem property taxation of implements of farming and ranching in Section 11.161 of the Tax Code has been interpreted in Attorney General Opinion No. MW-451 to apply to individuals but not to partnerships or corporations, and is limited to $15,000 for single persons and $30,000 for families.

The purpose of this resolution is to amend Article VIII of the Texas Constitution by adding Section 19a, which would exempt implements of husbandry used to produce farm and ranch products from ad valorem taxation. Enactment of the amendment would provide the exemption without monetary limits and without limiting the exemption to individuals. The exemption would become effective

with the tax roll of January 1, 1983.

The resolution provides for the submission of the proposed constitutional amendment to the voters at an election to be held on November 2, 1982.

SENATE JOINT RESOLUTION 10
SENATE AUTHOR: Brooks
HOUSE SPONSOR: Coleman

During the regular session of the 67th Legislature, House Joint Resolution 62 was passed, the purpose of which was to remove the annual limit of $80 million on total state funds for assistance payments to needy persons, as provided by Article III, Section 51-a, of the Texas Constitution, and to replace it with an amount equal to one percent of the state budget.

The purpose of Senate Joint Resolution 10 is to assure that the intent of the legislature in raising the limit on assistance is effectuated, should the proposal be finally adopted, by correcting several problems with the proposed amendment: (1) House Joint Resolution 62 sets a ceiling on state aid at one percent of the state budget for <u>each</u> needy person. Section 1 of Senate Joint Resolution 10 corrects this and sets the ceiling on assistance grants for all needy dependent children and their caretakers; (2) House Joint Resolution 62 removes needy aged persons, needy disabled persons, and needy blind persons from the list of persons eligible for assistance grants. Section 1 of Senate Joint Resolution 10 includes these groups in the list of eligible needy persons in order to authorize the state to provide for them if the federal government should decide to stop providing that type of aid.

The proposed constitutional amendment, as amended, will be submitted to the voters at the election to be held November 2, 1982.

<u>Selected Resolutions</u>

House Resolution 14 (Laney) and Senate Resolution 83 (Uribe) urge the president and congress of the United States to proceed with utmost caution in preparing the 1983 budget in order to preserve the reasonable expectations and rights of persons who are receiving or accruing railroad retirement benefits.

House Concurrent Resolution 17 (Heatly; Brooks) directs that the office complex for human services agencies to be constructed in Austin shall be designated the John H. Winters Human Services Center.

Senate Concurrent Resolution 7 (Caperton; Blythe) and House Resolution 17 (Blythe) memorializes congress by declaring opposition to the Public Employee Retirement Income Security Act in any version.

Note: The first name in parentheses is the resolution's author. A second name indicates the resolution's sponsor in the other house.