

SENATE JOURNAL

EIGHTY-THIRD LEGISLATURE — REGULAR SESSION

AUSTIN, TEXAS

PROCEEDINGS

SIXTY-SEVENTH DAY

(Sunday, May 26, 2013)

The Senate met at 1:44 p.m. pursuant to adjournment and was called to order by Senator Eltife.

The roll was called and the following Senators were present: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

The Presiding Officer announced that a quorum of the Senate was present.

Don Garner, State Director, Capitol Commission Texas, was introduced by Senator Paxton and offered the invocation as follows:

Heavenly Father, I am privileged to stand in the gap for these Senators. I thank You for raising them up as Your ministers. I thank You that, having called them Yourself, You supply all the means to carry out their responsibilities in a way that is pleasing to You and beneficial to all they serve. As this session draws to a close, grant them the energy to finish strong, the patience to finish graciously, and the perspective to finish wisely. Bless those who sacrifice along with them by allowing them to serve as Senators, those who keep things going back home. Bless the activity of this day by allowing its results to be profitable. And especially bless each Senator and each member of their family in that they might know You in all Your glory. In the name of my lord and savior, Jesus Christ. Amen.

Senator Whitmire moved that the reading of the Journal of the proceedings of the previous day be dispensed with and the Journal be approved as printed.

The motion prevailed without objection.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 773 ADOPTED

Senator Schwertner called from the President's table the Conference Committee Report on **HB 773**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Schwertner, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 270 ADOPTED**

Senator Seliger called from the President's table the Conference Committee Report on **SB 270**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Seliger, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 910 ADOPTED**

Senator Duncan called from the President's table the Conference Committee Report on **SB 910**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Duncan, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 219 ADOPTED**

Senator Huffman called from the President's table the Conference Committee Report on **SB 219**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Huffman, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitnire, Williams, Zaffirini.

Nays: Estes, Fraser.

REMARKS ORDERED PRINTED

On motion of Senator Davis and by unanimous consent, the remarks regarding **SB 219** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Huffman: Thank you, Mr. President and Members. I move that the Senate adopt the Conference Committee Report to Senate Bill 219. Senate Bill 219 significantly improves transparency in the efficiency of the Ethics Commission, will allow for the commission and the staff to continue doing the work that they do every day for the State of Texas. In conference, we agreed upon the following major changes to the original filed version. SB 219 now requires the commission to redact from a personal financial statement the home addresses of all individual filers before making the statement available to a member of the public; requires that a Railroad Commissioner who announces or becomes a candidate in a general, special primary election for an office other than Railroad Commissioner automatically resigns from the Railroad Commission; and it does other things. It includes updates, financial, and lobby reporting requirements, a study on the potential transfer with a public integrity unit to another entity. It provides that the name of a political committee may not

include the name of any candidate the committee supports, if the candidate has not previously consented to and approve of the committee's formation. It codifies current FCC law for radio and TV ads, and it makes similar requirements on radio and TV ads for noncandidates. And I move that we can move adoption of the Conference Committee Report on SB 219.

Presiding Officer: Senator Davis, for what purpose?

Senator Davis: Mr. President, did we suspend the layout rule on this particular bill to adopt this report? Is it, I'm still looking at the bill right now, so I—

Presiding Officer: Senator Davis, it's a 24-hour layout and we're past the time, so we don't have to—

Senator Davis: —so, it has laid out for more than 24 hours?

Presiding Officer: Yes.

Senator Davis: Okay. Senator Huffman, would you yield for a couple of questions?

Senator Huffman: Of course.

Senator Davis: Thank you. I'm going to support the bill. I think there are some things in it that are good, but I'm concerned about some of the things that were removed from it and wanted to ask you what happened in the process that took those things away. It's my understanding there was a floor amendment that Representative Howard offered that would've required personal financial statements be made available to the public on the Ethics Commission website and, I think, that transparency requirement of us—we've done a lot of transparency reform in the Legislature this session—should be required of us as well as required of others that we're asking to demonstrate that transparency, and just wanted to see if you could help me understand why that's not in the bill anymore.

Senator Huffman: Sure, that particular provision was discussed at length during the sunset actual commission meetings. I think that was last summer, but in the interim period, and the commission voted not to include that in their recommendations, and I think they were, that was overwhelmingly done by the, I don't remember exactly who voted for what, but the Senate side of the commission definitely voted for that. And I believe that my feelings, and when it was brought forward before the Senate, my impression is that the Senate as a whole does not support this. As you know, although it's not online, it's certainly transparent in that it is information available to the public and to the press. And it's certainly available if a person goes down to the Ethics Commission and requests that information, it will be made available. So, it's certainly public information, there's no need to say that it's not public information, it's just not readily available online, around the world, to anyone who would want to bring it up at any given moment.

Senator Davis: Okay. I do think that that was a good recommendation, a good amendment that was added. I'm disappointed to see that it's not there. There was another one that I actually was a Senate sponsor of a bill that Representative Capriglione had also as a stand-alone bill which would've required disclosure by legislators of contracts that they have with governmental entities. And he was

successful in adding that as a floor amendment to the ethics bill, it was Floor Amendment No. 30, and I wanted to see if you could give me some background on the removal of that particular amendment as well.

Senator Huffman: I believe that that is an interesting proposal. Again, it's not a proposal that was well-vetted in the Senate through a committee process. And I know you're familiar that a bill has already passed out, it's on the Governor's desk, Senate Bill 1773 that I authored, that will that we have a select interim committee to study the effectiveness of ethics laws and regulations. I'm hoping that will be a very thorough investigation and study, and I think that that very issue that you just brought up should be one of the issues that we really dig into over the interim and then move forward the next session if it seems advisable to move forward on that issue. So, I agree with you. It is an issue that needs to be studied and heard, and we need to hear from the public on it as well as experts in the field. I just don't think it was right to put on this bill today, or this week.

Senator Davis: Well, I'm pleased to hear you say that. I do think it needs to be part of that interim study as well as the amendment that I talked about a moment ago that Representative Howard had added. And then finally, Representative Geren had added a couple of amendments requiring disclosure of spending to affect the outcome of elections here. Those also were taken out at the end of the day, and as you go forward in that interim study, this interim period, I hope that's another thing that you will include there. I think, as a body, there was disappointment that the Governor yesterday vetoed the dark money bill. I hope that will be a topic of conversation in the interim study that you have on this as well, because I think that transparency is incredibly important and the people of Texas expect that we're going to be transparent in terms of the way we function, and, of course, we need to demonstrate that we're operating at the highest ethics standard we possibly can.

Senator Huffman: I feel certain that that issue that you've discussed will be relevant to those conducting the interim study. I would hope so as well that it'd be something that we would look at very carefully and understand exactly who it would impact and how. If it would improve transparency, it would be a good thing to move forward with.

Senator Davis: Thank you, Senator.

Presiding Officer: Senator Watson, for what purpose?

Senator Watson: First, a parliamentary inquiry and then a question of the author.

Presiding Officer: State your inquiry.

Senator Watson: I want to follow up on what Senator Davis asked about the layout rule and suspending the rules on the layout rule, and I want to make sure I know what I ought to be looking at to know whether we need to have a motion to suspend. Should we be looking at when the bill, when the report was filed, or when the report was delivered, or something else?

Presiding Officer: Senator, we have a time-stamped copy of when it was printed and delivered, and that's what we go by here in the Senate.

Senator Watson: So, is the time stamp on the printing and delivery?

Presiding Officer: Yes, and that's correct, and it's up here, and anyone is welcome to come up here and check the time stamp on anything that you're interested in, so you'll know.

Senator Watson: Okay, thank you. Then, I would ask if the Senator would yield for a question or comment.

Senator Huffman: Yes, Sir.

Senator Watson: And, candidly, it's more of a comment than a question, I wanted to just reiterate that I also am concerned about why we're not making information available online. That was a change that I thought would be a good change to this bill. There's a lot to support in this, but there are things like that that, frankly, I think that transparency, that availability, that ease with which people can get that information ought to be something we're looking for ways to do, and not finding ways to not do them. And I hope that this interim study will take that into account. My guess is you're going to be very involved in that, and I hope you will continue to try to push those to the forefront.

Senator Huffman: I will certainly look at all the suggestions that are made by the Members, yes.

Presiding Officer: Senator Whitmire, for what purpose?

Senator Whitmire: Would the Senator yield? Senator Huffman, when I was on sunset, still on sunset, that process, the ethics piece of legislation study review, I'm on the conference committee, never have I heard it mentioned that there should be a study of the public integrity unit. What's that all about?

Senator Huffman: That was an amendment that was put on by the House.

Senator Whitmire: Do you know who the sponsor was?

Senator Huffman: I can look and tell you real quickly, offhand.

Senator Whitmire: Just a wild, educated guess on my part, it was Phil King.

Senator Huffman: You're right, it was. You're right.

Senator Whitmire: And what, you know, I'm going to vote for it, but I'm going to do it really reluctantly, even as a conferee, because, quite frankly, I, having been down here a number of years, know how well the public integrity unit works as an element or a division of the Travis County District Attorney's office. And, as we all know, that office's District Attorney is having personal issues, but I would suggest that office is bigger than any individual, certainly any personality. So, what concerns me, Members, is the language might call for a study. Who's going to study it, and do they have an agenda that they've already arrived at what their conclusion in a study would be? So, I would almost, not going to, but I could almost, could get worked up to the point that I don't believe you should tamper with something that has an excellent record of investigation, actually indicting and convicting public officials, because it is removed from the legislative entity. And it would be a real shame if we authorize a study that might even be partisan in nature and they tamper with something that I

think has served the people of Texas so well for so many years. So, can you shed some more light on what they hope to accomplish in a study, and do you know who the sponsor of the amendment?

Senator Huffman: It was P. King, and if this, I think this should—

Senator Whitmire: Phil King—

Senator Huffman: —give you some—

Senator Whitmire: —who's been demagoguing the issue all spring. So, here once again, we're going to reward a demagogue where he gets up there on the front mic and goes on and on about moving the public integrity division to the Legislature or to the Attorney General's office, I think he had proposed. That's just wrong. And number one, it ought to be a stand-alone bill.

Senator Huffman: If this offers any reassurance to you, Senator, I share your concerns. I understand, but it's not a legislative interim committee, so the Legislature's not going to get their—

Senator Whitmire: Okay, who's going to study it?

Senator Huffman: —fingers in this. It's the commission in conjunction with the Supreme Court of Texas and the Court of Criminal Appeals, so it'll be a judicial and ethics commission. They will make a study and make—

Senator Whitmire: And what are they going to study? It's what?

Senator Huffman: To determine whether law enforcement functions of the PI unit should be transferred to a law enforcement entity to maintain separation of powers. So, I assume that they will make a legal analysis of the issue, not a political analysis, looking at whose bill it is.

Senator Whitmire: Well, first of all, I think the Supreme Court and the Court of Criminal Appeals got plenty to do already.

Senator Huffman: I'd agree.

Senator Whitmire: I bet they didn't ask for this and probably don't even want this. So, I would hope when we come back next session, I assume they're supposed to report back to the next session, probably?

Senator Huffman: Probably so—

Senator Whitmire: Well, I just—

Senator Huffman: —I can double check that.

Senator Whitmire: —think that, I understand it's unfortunate that that office is going through some turmoil, but, as I already said, the function of that office and its review of ethics and activity of elected officials who come to this jurisdiction has been served well if you look at the track record. And like I said, the office and function is much larger than any one individual who will not be there, to be determined, but I just think it's outrageous that we allow someone to use the sunset process, the sunset legislation for some personal agenda and political agenda of a Member who's been ranting and raving about that office all spring. So, we'll, I guess, vote for this, have the review, but

I think you will find that the Supreme Court and Court of Criminal Appeals is going to say that the office and its duties has worked well for a long number of years. I guess I could name a number of public officials who have been indicted, convicted, and removed from office. And they, for sure, would be willing to tell you that they felt like the office is very effective and has done a good job looking, as a separate entity from the Legislature or from state government, investigating the ethical transgressions of individual legislators. So, I guess it's a classic case of you've got to take a Conference Committee Report that you might not like everything that's in it, but the greater good would be to go ahead and support it at this point in the process.

Senator Huffman: Thank you, Senator Whitmire.

Presiding Officer: Thank you, Senator Whitmire. Senator Fraser, for what purpose?

Senator Fraser: Question of the author. Senator, the issue that I would like to ask a question about involves a provision that was put in the bill that is different than the Senate version went over, which is resign-to-run for Railroad Commissioner. That is in the bill?

Senator Huffman: It is an automatic resign-to-run provision, yes, which differs slightly from the Senate resign-to-run, yes.

Senator Fraser: Can you explain to me the fairness of, well, before I ask that, of the statewide elected officials in the State of Texas, do we have other statewide officials that are subject to this same provision?

Senator Huffman: The automatic resign-to-run, not that I know of, no.

Senator Fraser: So, we are telling someone that the public has elected to an office, that if they want to seek another office, that they have to resign before they could run for that office?

Senator Huffman: Well, as you well know, the Railroad Commissioners serve a unique function and are unique in that their functions are different than any other statewide officeholder. No other statewide officeholders are, of course, they are selected for, not selected for four-year terms, but six-year terms. They, other offices statewide refer their contested cases to SOA and do not receive a majority of their campaign contributions from the single industry that they regulate. The Sunset Commission, I've sat on sunset two sessions now, and the Railroad Commission's been sunsetted on each one, and the bills have died both sessions. We might ask why those bills keep getting killed, but they do. And the Sunset Commission recommended on each time that a resign-to-run, some type of resign-to-run be included in the sunset recommendations because they felt that the running for office was greatly distracting from the commissioners serving their duties in an appropriate and fair way. That was their recommendation. We listened to a lot of testimony two sessions ago, last session, from Railroad Commissioners, and a majority of the sunset commissioners agreed with sunset staff that it was a distraction and that they weren't best serving the state by running for other higher offices rather than fulfilling their duties as Railroad Commissioners.

Senator Fraser: An observation, I, obviously, I've been here for a good while, and I have, through the years, seen recommendations that come from sunset, some that I agree with, many that I don't agree with, but you're having someone that are in a non-elected position making a recommendation, and, interestingly, that's been rejected by the Legislature several times, as you just said, it's—that recommendation has come from sunset and was rejected by the Legislature.

Senator Huffman: Well, it certainly passed out of this Senate, and this Senate body has voted for it before.

Senator Fraser: I'm glad you brought that up because the issue that was voted out by the Senate was a resign-to-run in the last two years, which I think the people of this body, I was opposed to even to that, but their Members did agree to that. But this is a much more severe version of that, and I guess I'm trying to understand that. And a great example, the Lieutenant Governor just ran for U.S. Senate. Did we him to run before he filed for office?

Senator Huffman: That's not the law, Sir. No.

Senator Fraser: If one of the other statewide decides to run for an office, will they be required to run?

Senator Huffman: Well, Senator Fraser, maybe you can file that bill next session. We'll see how far it goes.

Senator Fraser: And the other really interesting one is if somebody in this body that had a four-year term decided to run for a statewide race, would they be required to resign?

Senator Huffman: I'm sorry, I missed the beginning of your question.

Senator Fraser: Okay, if someone in this body that had a four-year term and they decided to run for one of the statewide races that are up this time, will they be required to resign from office?

Senator Huffman: That is not included in this bill, no, Sir.

Senator Fraser: So, the only thing we're doing is penalizing one statewide elected official, or one group of statewide elected officials in treating them differently than everyone else?

Senator Huffman: We are treating the Railroad Commissioners differently because they are unique and fulfill a unique function in Texas. They're a quasi-judicial and most of their money they get from the industry that they regulate.

Senator Fraser: Why are they quasi-judicial?

Senator Huffman: Well, because they make, you know, individual, they make decisions on regulations and rules and policies that affect a specific industry that we all know is a powerhouse industry that pretty much drives the economy of the State of Texas.

Senator Fraser: And what industry does the Agriculture Commissioner take care of?

Senator Huffman: Well, it's also a very large industry, that's correct.

Senator Fraser: Is that a specific industry?

Senator Huffman: It certainly is, yes, cattle, ranching, agriculture, yes.

Senator Fraser: The Comptroller of State of Texas, what do they do?

Senator Huffman: They're not under sunset, though, and the recommendations have not been made, nor has the body voted on those specific offices, or been asked to.

Senator Fraser: Senator, I respect you greatly. You've had a great session.

Senator Huffman: Likewise.

Senator Fraser: I appreciate the work you've done on sunset, and it's not like you're confused on issues. You've worked on it, you understand it. And we've had discussions about this, I just disagree with you. I do not agree that we should be treating one statewide elected official different than everyone else. I will be registering a "no" on this bill. There's a lot of really good stuff, probably, in the bill as far as the sunset recommendations, but this one issue, I believe, is terribly unfair. I think it's bad public policy, and even though I respect the work you've done on this, I will be registering a "no" on the bill.

Senator Huffman: Yes, Senator Fraser, and you know how much I respect you and your beliefs and your work, and we can just respectfully disagree on this one. Thank you.

Senator Ellis: Mr. President, I rise to praise the distinguished Senator from Harris County and just ask a couple of questions.

Presiding Officer: Senator Huffman, yield?

Senator Huffman: Yes, Sir.

Senator Ellis: For the praise or the questions?

Senator Huffman: Either one would be great.

Senator Ellis: One person of the, I carried the ethics bill in 2003, last time it came through sunset review process, and I want to praise you because it is a thankless job. You don't make any friends when you do it, and when I carried it, at one point, it was going to be, there was a threatened veto, or it would be killed. I always thought it was to drag us back into special session, so it wouldn't just be on redistricting, it would be on the ethics bill as well. Senator Duncan was reminding me that I added some language that required locally elected officials to have to do the same financial disclosure form that we file, and his mayor and other mayors were pretty upset about that. So, I know it's a tough job, so we do appreciate you doing it. Somebody had to do it, and I think you've done a great job with it.

Senator Huffman: Thank you, Senator.

Senator Ellis: I do have a couple of concerns. The part about, on page 47 about, I guess it's legislators, or anybody who has a campaign fund, using it. What are you doing under that section (b) that's on page 47, certain contributions and the expenditures by lobbyists restricted? I just want to make sure we know what we're doing. I do want to say, while you're looking it up, I'm not planning on leaving

anytime soon. I've only been here 23 years, so I think I can last a little longer. But in the event the voters decide to retire me, what does that do to a Member's campaign funds?

Senator Huffman: If a person leaves office, is that the one you're referring to?

Senator Ellis: Yes, Ma'am.

Senator Huffman: Yes, if you leave office, for two years after the date you leave, you're not prohibited from lobbying, but you are prohibited from using your campaign funds for lobbying. There's a couple of exceptions. If you're lobbying for a nonprofit or for a group of low-income individuals or a group of individuals with disabilities, there are exemptions of how you could use your campaign funds. You just can't use them for general lobbying purposes for two years after you leave office, which is pretty big reform, I'd say.

Senator Ellis: Yeah, if I'm lobbying for folks who catch the early bus, so to speak, so if I'm lobbying for the payday lenders, I couldn't use it, but if I'm lobbying for some advocacy, I could use it?

Senator Huffman: I think if you were lobbying for, again, for, say, a group, it's low-income, that's probably subject to interpretation. A group of individuals with disabilities or for a nonprofit, that would be pretty easy to define. I'm not sure about what you mean by the early bus, but—

Senator Ellis: Yeah, I'm trying to figure out, and I guess some court would have to do it, like, you know, if you're talking about a not-for-profit, like Best Buddies, they do programs for children with intellectual challenges.

Senator Huffman: I think they're going to have to be nonprofits that are registered under the IRS as with one of the nonprofit groups as described and defined by the IRS code.

Senator Ellis: Okay, my other question is going back to what Senator Whitmire was saying on this judicial study of the public integrity unit. So, it would be, who would name the folks? Would it be, I think it's on page 24 on the side-by-side.

Senator Huffman: I would assume it would be the chief justices of the individual courts and—

Senator Ellis: And I don't know if you really lay it out or you just say the courts would do it. I'm just curious to know how that would be structured. I'm not sure where it is in the bill. I was really looking at the side-by-side when I looked at it earlier, might've been page 26.

Senator Huffman: Let me see if I can find a copy of the actual amendment. I'm not sure I have it, but my understanding is that it would be the commission in consultation with the Supreme Court and the Court of Criminal Appeals would conduct the study, and if we look at how those are normally done—

Senator Ellis: Oh, I see it here. Yeah, it's on page 30 of the side-by-side, at least. And you say here, the Ethics Commission in consultation with the Supreme Court and the Court of Criminal Appeals shall conduct a study, so you don't really lay out how many people.

Senator Huffman: No, and again, and I'm happy to set this legislative intent, that this is not meant for legislators to participate in this study. That's not the legislative intent. I fully believe that it should be independent, with the commission and the courts looking at it, and looking at it more as a separation of powers issue, certainly would hope they would look at it that way and not look at it politically or political expediency but—

Senator Ellis: So, you're not necessarily pointing an accusative finger with what happens now, but just saying, an independent review to see what's working well, what is not working well.

Senator Huffman: Exactly, from a legal point of view, yes.

Senator Ellis: I hope you work with me in the next session. I'd like to do that, as you know, for people who've been wrongfully convicted, as well. You know, not a direct analogy there, because I put that on a much higher level than this, but I'm hoping you'll work with me when we come back—

Senator Huffman: You know I'd love to work with you.

Senator Ellis: —because I'm always for a study.

Senator Huffman: We're always willing to work, Senator Ellis.

Senator Ellis: Thank you, I'll be voting for your bill.

Senator Nichols: First of all, thank you very much for all the hard work you've put in on this. I know it's a very difficult one. And it's one, there are a lot of eyes watching, and so, I wanted to ask you a couple of questions. One is related to Senator Watson's question related to the open, putting online, everybody's personal financial stuff. Do you remember some of the reasons, as in our discussions in the committee when we talked about that, why I, in particular, said, I really think we should not do that?

Senator Huffman: Well, I know there were several Members that had security concerns, and I think that you vocalized those as well, yes.

Senator Nichols: Yeah, the security concern is there are bad people out there who are looking for targets, and the more convenient we can make them targets, the more likely the security is going to be breached and somebody's going to get hurt. I know that in my home county, I've had two different friends of mine have their children kidnapped. It was people knew they had money and, fortunately, one of them got back alive. The other one was horribly murdered for that money, just because of that. And so, I would hope that the media understands that we've got security breaches that could be very dangerous, especially with groups like the drug cartels coming into Texas. And so, any newspaper, any reporter, any individual in this state that wants to know our personal information can go to the Ethics Commission and they can see it. They have to sign a log sheet, so we know who they are, but at least I feel personally more comfortable to have a log sheet, at least we know who went and looked at it. That was one of my reasons for bringing that up. The other thing kind of related to Senator Fraser's questions about the resign-to-run. You remember some of the conversations we had related to that?

Senator Huffman: Yes, and I would love for you to share some of your thoughts on that because you've had some insightful thoughts on that.

Senator Nichols: For the past four years, there've been a lot of concerns about why people run for certain offices and what they do in that office, and we've got good people in those offices, though not, certainly, not talking about that, but it, the oil and gas industry is one of the most significant industries we have in the State of Texas right now. It's what's driving our economy. It's what's saving this year's budget, the work they do. And the work that the Railroad Commission does, it's vital to that, and the more they stay concentrated on that work, the more likely we're going to be all successful as a state. And so, I know that some of my feelings related to that, was that we want people to run for that office and be focused on that office. I know everybody doesn't agree with that, but in the arguments that were presented and that were heard in testimony, well, just treat us like everybody else. But they're not like everybody else, are they?

Senator Huffman: No, they're absolutely not.

Senator Nichols: None of the statewide, possibly with an exception of the Comptroller, who does do certifications of certain numbers, that's the only state agency that's actually setting rates. They set the rate on which you, I, and everybody in my district pays for natural gas in their homes. They set that rate. No other elected office gets to do that. They decide who gets to drill, who gets the pipes, who, they rule on contested cases of things of that nature, so they are collecting campaign contributions at the same time they're doing that.

Senator Huffman: Correct. That was one of the many concerns raised through the process.

Senator Nichols: And so, the public perception, which, perception is very important in this state in elected offices, the perception that's out there is that they could, if somebody had got in there, could use that position to basically shake down the industry to support, build up a war chest to run for some statewide office. Now, I remember a few years ago, particularly, when we were doing this under sunset two years ago, we had a couple of members of the Railroad Commission that were running for U.S. Senate.

Senator Huffman: Correct.

Senator Nichols: And I know that Michael Williams decided to resign to run voluntarily, he was not required to do that. Is that correct?

Senator Huffman: That's correct, yes.

Senator Nichols: And I remember when I was TxDOT Commissioner for the state and I decided to run for this position. I could have continued using that position to help further my campaign, it would've certainly helped me, but I did not do that. I don't know if you're aware of it, I chose to resign to run.

Senator Huffman: Yes, I was aware of it.

Senator Nichols: So, that's what really makes this office different. And since the Legislature has not been able to make progress in the ethics area of this perception by the public, this one item in your ethics bill would tell the public that people running for that office are going to be running for that office for that reason.

Senator Huffman: Yes.

Senator Nichols: Thank you very much.

Presiding Officer: Thank you, Senator Nichols.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 2982 ADOPTED**

Senator Duncan called from the President's table the Conference Committee Report on **HB 2982**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Duncan, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 58 ADOPTED**

Senator Nelson called from the President's table the Conference Committee Report on **SB 58**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Nelson, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 630 ADOPTED**

Senator Huffman called from the President's table the Conference Committee Report on **HB 630**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Huffman, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3903 ADOPTED**

Senator Campbell called from the President's table the Conference Committee Report on **HB 3903**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Campbell, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1063

Senator Estes offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 281 (administration and powers of the Red River Authority of Texas) to consider and take action on the following matter:

(1) Senate Rule 12.03(3) is suspended to permit the committee to add text on a matter which is not in disagreement by adding text in SECTION 3 of the bill, in added Section 19a, Chapter 279, Acts of the 56th Legislature, Regular Session, 1959, to read as follows:

Sec. 19a. The Authority may purchase groundwater rights in a county in the Authority's territory only if:

(1) there is a groundwater conservation district that has jurisdiction over water wells located in the county; or

(2) in the case where a county is not in the jurisdiction of a groundwater conservation district, the commissioners court of the county approves the purchase of groundwater rights by the Authority in the county.

Explanation: This change is necessary to clarify under what conditions the Red River Authority of Texas may purchase groundwater rights.

SR 1063 was read and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 281 ADOPTED

Senator Estes called from the President's table the Conference Committee Report on **SB 281**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Estes, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1897 ADOPTED

Senator Carona called from the President's table the Conference Committee Report on **HB 1897**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Carona, the Conference Committee Report was adopted by the following vote: Yeas 22, Nays 9.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Garcia, Hegar, Hinojosa, Huffman, Lucio, Nelson, Rodríguez, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Fraser, Hancock, Nichols, Patrick, Paxton, Schwertner, Seliger.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 1951 ADOPTED**

Senator Carona called from the President's table the Conference Committee Report on **HB 1951**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Carona, the Conference Committee Report was adopted by the following vote: Yeas 20, Nays 11.

Yeas: Carona, Davis, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hinojosa, Huffman, Lucio, Rodriguez, Seliger, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Deuell, Hancock, Hegar, Nelson, Nichols, Patrick, Paxton, Schwertner, Taylor.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 2818 ADOPTED**

Senator Carona called from the President's table the Conference Committee Report on **HB 2818**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Carona, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 2152 ADOPTED**

Senator Lucio called from the President's table the Conference Committee Report on **HB 2152**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Lucio, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 690 ADOPTED**

Senator Ellis called from the President's table the Conference Committee Report on **SB 690**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Ellis, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 358 ADOPTED**

Senator Hinojosa called from the President's table the Conference Committee Report on **SB 358**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Hinojosa, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 359 ADOPTED**

Senator Hinojosa called from the President's table the Conference Committee Report on **SB 359**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Hinojosa, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

BILLS AND RESOLUTIONS SIGNED

The Presiding Officer announced the signing of the following enrolled bills and resolutions in the presence of the Senate after the captions had been read:

HB 367, HB 474, HB 506, HB 590, HB 647, HB 699, HB 717, HB 738, HB 753, HB 833, HB 847, HB 869, HB 897, HB 899, HB 939, HB 970, HB 983, HB 1020, HB 1114, HB 1122, HB 1174, HB 1198, HB 1302, HB 1330, HB 1384, HB 1392, HB 1394, HB 1396, HB 1513, HB 1544, HB 1605, HB 1724, HB 1759, HB 1781, HB 1824, HB 1888, HB 1965, HB 2049, HB 2075, HB 2090, HB 2100, HB 2138, HB 2197, HB 2202, HB 2276, HB 2407, HB 2414, HB 2424, HB 2585, HB 2607, HB 2619, HB 2668, HB 2679, HB 2688, HB 2690, HB 2704, HB 2874, HB 2902, HB 2911, HB 3068, HB 3070, HB 3125, HB 3161, HB 3201, HB 3253, HB 3279, HB 3309, HB 3350, HB 3378, HB 3401, HB 3436, HB 3438, HB 3439, HB 3483, HB 3567, HB 3662, HB 3764, HB 3792, HB 3813, HB 3932, HB 3933, HB 3934, HB 3946, HCR 80, HCR 199, HCR 200, HCR 201, HCR 202, HCR 203, HCR 204.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3093 ADOPTED**

Senator Zaffirini called from the President's table the Conference Committee Report on **HB 3093**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Zaffirini, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE CONCURRENT RESOLUTION 40

The Presiding Officer laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 347 has been adopted by the senate and the house of representatives and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 83rd Legislature of the State of Texas, That the enrolling clerk of the senate be instructed to make the following corrections:

(1) In the SECTION of the bill added by House Floor Amendment No. 2 by Darby that reenacts and amends Section 401.052(d), Health and Safety Code, as amended by Chapters 580 (H.B. 1678) and 1067 (H.B. 1567), Acts of the 78th Legislature, Regular Session, 2003, strike the text of amended Subsection (d) and substitute the following, and renumber Subsection (d) accordingly:

(d) Fees assessed under this section:

(1) may provide additional revenue to support the activities of the Texas Low-Level Radioactive Waste Disposal Compact Commission;

(2) In the SECTION of the bill added by House Floor Amendment No. 1 by Darby that amends Section 401.207, Health and Safety Code, in proposed Subsection (d-1)(2) of the section, strike "fee under Section 401.249(f)" and substitute "surcharge under Subsection (g)".

(3) In the SECTION of the bill added by House Floor Amendment No. 1 by Darby that amends Section 401.207, Health and Safety Code, in proposed Subsection (d-3) of the section, strike "401.249(f)" and substitute "401.249".

(4) In the recital to the SECTION of the bill added by House Floor Amendment No. 1 by Darby amending Section 401.218, Health and Safety Code, strike "Subsections (d) and (e)" and substitute "Subsection (d)".

(5) In the nonamendatory transition language added by House Floor Amendment No. 2 by Darby, strike Subsection (b) of the SECTION, directing the Texas Commission on Environmental Quality to adopt rules to implement the changes to Section 401.2456, Health and Safety Code, and reletter the subsections of the SECTION accordingly.

SELIGER

SCR 40 was read.

On motion of Senator Seliger, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 586 ADOPTED

Senator Deuell called from the President's table the Conference Committee Report on **HB 586**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Deuell, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Birdwell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Rodriguez, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Campbell, Schwertner.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1907 ADOPTED

Senator Hegar called from the President's table the Conference Committee Report on **SB 1907**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Hegar, the Conference Committee Report was adopted by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Nelson, Nichols, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams.

Nays: Garcia, Lucio, Zaffirini.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3520 ADOPTED**

Senator Carona called from the President's table the Conference Committee Report on **HB 3520**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Carona, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 460 ADOPTED**

Senator Deuell called from the President's table the Conference Committee Report on **SB 460**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Deuell, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1066

Senator West offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 3153 (the operation and administration of, and practice in courts in, the judicial branch of state government and the composition of certain juvenile boards; imposing a fee) to consider and take action on the following matter:

Senate Rule 12.03(2) is suspended to permit the committee to omit text not in disagreement in proposed SECTION 2.02 of the bill, in amended Section 25.0331, Government Code, to read as follows:

SECTION 2.02. (a) Effective January 1, 2017, Section 25.0331, Government Code, is amended by adding Subsection (c) to read as follows:

(c) Cameron County has one statutory probate court, the Probate Court No. 1 of Cameron County.

(b) Notwithstanding Section 25.0009, Government Code, the initial vacancy in the office of judge of the Probate Court No. 1 of Cameron County shall be filled by election. The office exists for purposes of the primary and general elections in 2016. A vacancy after the initial vacancy is filled as provided by Section 25.0009, Government Code.

(c) The Probate Court No. 1 of Cameron County is created on January 1, 2017.

Explanation: The change is necessary to omit the section amending Section 25.0331, Government Code.

SR 1066 was read and was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3153 ADOPTED**

Senator West called from the President's table the Conference Committee Report on **HB 3153**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator West, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Patrick.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Sunday, May 26, 2013 - 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 ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 630 (134 Yeas, 0 Nays, 1 Present, not voting)

HB 1897 (80 Yeas, 62 Nays, 2 Present, not voting)

HB 1951 (109 Yeas, 34 Nays, 2 Present, not voting)

HB 2152 (140 Yeas, 0 Nays, 1 Present, not voting)

HB 3093 (140 Yeas, 0 Nays, 3 Present, not voting)

HB 3903 (137 Yeas, 2 Nays, 2 Present, not voting)

SB 213 (140 Yeas, 2 Nays, 1 Present, not voting)

SB 217 (109 Yeas, 31 Nays, 2 Present, not voting)

SB 359 (140 Yeas, 0 Nays, 1 Present, not voting)

SB 690 (133 Yeas, 0 Nays, 1 Present, not voting)

SB 1458 (136 Yeas, 0 Nays, 1 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

SENATE CONCURRENT RESOLUTION 38

The Presiding Officer laid before the Senate the following resolution:

WHEREAS, House Bill No. 2975 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 83rd Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to correct House Bill No. 2975, in SECTION 1 of the bill, in added Section 392.0131, Local Government Code, by striking added Subsection (d) and relettering the remaining subsections and correcting all related cross-references in Section 392.0131, Local Government Code.

RODRÍGUEZ

SCR 38 was read.

On motion of Senator Rodríguez, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 194 ADOPTED**

Senator Hinojosa called from the President's table the Conference Committee Report on **HB 194**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Hinojosa, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1596 ADOPTED**

Senator Zaffirini called from the President's table the Conference Committee Report on **SB 1596**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Zaffirini, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Watson.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 2305 ADOPTED**

Senator Watson called from the President's table the Conference Committee Report on **HB 2305**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Watson, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3572 ADOPTED**

Senator Williams called from the President's table the Conference Committee Report on **HB 3572**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Williams, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1681 ADOPTED**

Senator Zaffirini called from the President's table the Conference Committee Report on **SB 1681**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Zaffirini, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3169 ADOPTED**

Senator Lucio called from the President's table the Conference Committee Report on **HB 3169**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Lucio, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3648 ADOPTED**

Senator Paxton called from the President's table the Conference Committee Report on **HB 3648**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Paxton, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nichols, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Fraser, Nelson.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1373 ADOPTED**

Senator Hinojosa called from the President's table the Conference Committee Report on **SB 1373**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Hinojosa, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Sunday, May 26, 2013 - 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 ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 194 (137 Yeas, 8 Nays, 2 Present, not voting)

HB 586 (145 Yeas, 0 Nays, 2 Present, not voting)

HB 773 (140 Yeas, 2 Nays, 2 Present, not voting)

HB 1926 (140 Yeas, 1 Nays, 3 Present, not voting)

HB 2818 (141 Yeas, 0 Nays, 3 Present, not voting)

HB 2982 (143 Yeas, 0 Nays, 2 Present, not voting)

HB 3142 (143 Yeas, 0 Nays, 2 Present, not voting)

HB 3520 (142 Yeas, 1 Nays, 2 Present, not voting)

SB 58 (138 Yeas, 6 Nays, 2 Present, not voting)

SB 215 (135 Yeas, 5 Nays, 2 Present, not voting)

SB 910 (142 Yeas, 0 Nays, 2 Present, not voting)

SB 1173 (140 Yeas, 4 Nays, 2 Present, not voting)

SB 1681 (147 Yeas, 0 Nays, 1 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

SENATE CONCURRENT RESOLUTION 41

The Presiding Officer laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 1727 has been adopted by the house of representatives and the senate; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 83rd Legislature of the State of Texas, That the enrolling clerk of the senate be instructed to make the following corrections:

(1) In the SECTION of the bill that amends Section 386.104, Health and Safety Code, in added Subsection (f-1) of the section as amended on third reading by Floor Amendment No. 1 by Isaac, strike "the conversion of heavy-duty diesel on-road vehicle engines or stationary engines" and substitute "the conversion of heavy-duty diesel on-road vehicle engines or non-road engines".

(2) Strike the SECTION of the bill that amends Section 386.158, Health and Safety Code, and substitute the following appropriately numbered SECTION:

SECTION _____. Sections 386.158(a) and (c), Health and Safety Code, are amended to read as follows:

(a) A person who purchases or leases a new light-duty motor vehicle described by Section 386.153 and [that has been] listed under Section 386.156(a) [386.155] is eligible to apply for an incentive under this subchapter.

(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 [comptroller].

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

SECTION _____. Section 386.058(b), Health and Safety Code, is amended to read as follows:

(b) The governor shall appoint to the advisory board:

- (1) a representative of the trucking industry;
- (2) a representative of the air conditioning manufacturing industry;
- (3) a representative of the electric utility industry;
- (4) a representative of regional transportation; and
- (5) a representative of the nonprofit organization described by Section

387.002 [386.252(a)(2)].

SECTION _____. Section 386.160, Health and Safety Code, is amended to read as follows:

Sec. 386.160. COMMISSION [COMPTROLLER] TO ACCOUNT FOR MOTOR VEHICLE PURCHASE OR LEASE INCENTIVES. (a) The commission [comptroller] 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 [comptroller] shall develop and publish forms and instructions for the purchaser or lessee of a new motor vehicle to use in applying to the commission [comptroller] for an incentive payment under this subchapter. The commission [comptroller] 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) In addition to other forms developed and published under this section, the commission [comptroller] shall develop and publish a verification form by which, with information provided by the dealer or leasing agent, the commission [comptroller] can verify the sale of a vehicle covered by this subchapter. The verification form shall include at least the name of the purchaser, the vehicle identification number of the vehicle involved, the date of the purchase, and the name of the new motor dealer or leasing agent involved in the transaction. At the time of sale or lease of a vehicle eligible for an incentive under this subchapter, the dealer or leasing agent shall complete the verification form supplied to the dealer by the commission [comptroller]. The purchaser or lessee shall include the completed verification form as part of the purchaser's application for an incentive. The dealer shall maintain a copy of the completed verification form for at least two years from the date of the transaction.

SECTION _____. The heading to Section 386.161, Health and Safety Code, is amended to read as follows:

Sec. 386.161. [~~REPORT TO COMMISSION;~~] SUSPENSION OF PURCHASE OR LEASE INCENTIVES.

SECTION _____. Sections 386.161(b), (c), and (d), Health and Safety Code, are amended to read as follows:

(b) If the balance available for motor vehicle purchase or lease incentives falls below 15 percent of the total allocated for the incentives during that fiscal year, the commission [~~comptroller~~] by order shall suspend the incentives until the date the ~~comptroller~~ can certify that the balance available in the fund for incentives is an amount adequate to resume the incentives or the beginning of the next fiscal year, whichever is earlier. If the commission [~~comptroller~~] suspends the incentives, the commission [~~comptroller~~] shall immediately notify [~~the commission and~~] all new motor vehicle dealers and leasing agents that the incentives have been suspended.

(c) The commission [~~comptroller~~] 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 [~~comptroller~~] may provide for issuing verification numbers over the telephone line.

(d) Reliance by a dealer or leasing agent on information provided by the [~~comptroller or~~] 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.

(4) In the SECTION of the bill repealing provisions of the law, add the following appropriately numbered subdivision and renumber the subsequent subdivisions of the SECTION accordingly:

- () Section 386.161(a), Health and Safety Code;
- (5) Renumber the SECTIONS of the bill accordingly.

DEUELL

SCR 41 was read.

On motion of Senator Deuell, the resolution was considered immediately and was adopted by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Fraser.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 901 WITHDRAWN

Senator Fraser called from the President's table the Conference Committee Report on **SB 901**. The original Conference Committee Report was filed with the Senate on Tuesday, May 21, 2013.

On motion of Senator Fraser, the original Conference Committee Report was withdrawn by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 901 ADOPTED

Senator Fraser called from the President's table the corrected Conference

Committee Report on **SB 901**. The corrected Conference Committee Report was filed with the Senate on Thursday, May 23, 2013.

On motion of Senator Fraser, the corrected Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3361 ADOPTED

Senator Birdwell called from the President's table the Conference Committee Report on **HB 3361**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Birdwell, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Schwertner.

SENATE RESOLUTION 1074

Senator Patrick offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 508 (the authority of certain governmental officials to carry certain weapons on certain premises, and to certain offenses relating to carrying concealed handguns on property owned or leased by a governmental entity; providing a civil penalty), to consider and take action on the following matter:

(1) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text to SECTION 3 of the bill, in added Section 411.209, Government Code:

(i) A state agency or a political subdivision of the state may not provide notice by a communication described by Section 30.06, Penal Code, or by any sign expressly referring to that law or to a concealed handgun license, that a person who is serving in this state as a judge or justice of a federal court, as an active judicial officer, as defined by Section 411.201, or as the holder of a statewide office, as defined by Section 1.005, Election Code, a member of the house of representatives or the senate, a member of the United States Congress, the state prosecuting attorney or an assistant state prosecuting attorney, an assistant attorney general, United States attorney, assistant United States attorney, special assistant United States attorney, district attorney, assistant district attorney, criminal district attorney, assistant criminal district attorney, county attorney, or assistant county attorney licensed to carry a handgun under the authority of this subchapter is, while carrying a handgun under the authority of this subchapter, prohibited from entering or remaining on a premises or other place owned or leased by the governmental entity unless the license holders are prohibited from carrying a handgun on the premises or other place by Section 46.035, Penal Code.

Explanation: This addition is necessary to add in cross-references to a person who is serving in this state as a judge or justice of a federal court, as an active judicial officer, as defined by Section 411.201, Government Code, or as the holder of a statewide office, as defined by Section 1.005, Election Code, a member of the house of representatives or the senate, a member of the United States Congress, the state prosecuting attorney or an assistant state prosecuting attorney, an assistant attorney general, United States attorney, assistant United States attorney, special assistant United States attorney, district attorney, assistant district attorney, criminal district attorney, assistant criminal district attorney, county attorney, and assistant county attorney.

(2) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text to Section 46.035(c), Penal Code, in SECTION 4 of the bill: The defense to prosecution provided by Subsection (h-1) applies to the prosecution of an offense under this subsection.

Explanation: This addition is for clarification purposes only.

SR 1074 was read and was adopted by the following vote: Yeas 22, Nays 9.

Yeas: Carona, Deuell, Duncan, Eltife, Estes, Hancock, Hegar, Hinojosa, Huffman, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Davis, Ellis, Fraser, Garcia, Lucio, Rodríguez, Taylor.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 508 ADOPTED

Senator Patrick called from the President's table the Conference Committee Report on **HB 508**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Patrick, the Conference Committee Report was adopted by the following vote: Yeas 23, Nays 8.

Yeas: Campbell, Carona, Davis, Deuell, Duncan, Eltife, Estes, Hancock, Hegar, Hinojosa, Huffman, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Ellis, Fraser, Garcia, Lucio, Rodríguez, Watson, West.

REMARKS ORDERED PRINTED

On motion of Senator Davis and by unanimous consent, the remarks regarding the Conference Committee Report on **HB 508** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Presiding Officer: The Chair lays out the Conference Committee Report on House Bill 508 by Patrick. Secretary, please read the caption.

Secretary of the Senate: House Bill 508, relating to certain offenses related to carrying concealed handguns on property owned or leased by a governmental entity.

Presiding Officer: The Chair recognizes Senator Patrick on the Conference Committee Report.

Senator Patrick: I've already walked through the change to the Conference Committee Report. I move adoption.

Presiding Officer: Senator Davis, for what purpose?

Senator Davis: Question of the author, please.

Presiding Officer: Senator Patrick, yield?

Senator Patrick: Yes.

Senator Davis: I'm sorry, Senator Patrick, I tried to hit my light before we did the roll call on the resolution that you adopted, the out of the, outside the bounds resolution. Question as to why we're creating a particular limitation of the application of current law as it relates to a certain category of officeholders, DA, Members of the Legislature, Members of the U.S. Congress, prosecuting attorneys, so on and so forth. What's the purpose for doing that, and did that go through as a separate bill, the legislative process?

Senator Patrick: Right. It did not. It passed out of here with that amendment. It was a Carona amendment that passed out. We passed out 508 on the bill that dealt with signs. And the purpose of it was, of the amendment, was currently we exclude or have an exemption for judges and district attorneys and assistant district attorneys because of real threats and potential threats against their lives. And, unfortunately, in this day and time that we live in, I don't know if you have received, I have received, including having a gunman walk in my office and someone come to my home and make a threat, that we have people who serve as federal judges, as U.S. Attorneys, Members of Congress, and statewide officials that today are under threats. And they are not able to carry everywhere, and therefore, since their schedules are often known, often published in advance, they are at risk, like Gabby Giffords was in Arizona. And that's the reason that these classes have been added to what the Legislature's exempted for a number of years, judges and district attorneys.

Senator Davis: I guess my question is, as the Conference Committee Report came back over, I think that the additions to it basically tie what Senator Carona was doing in that amendment more closely so that they're aligned with the bill as it was originally written. The bill that—

Senator Patrick: Correct.

Senator Davis: —you had on signage.

Senator Patrick: Correct.

Senator Davis: And my concern, and I think we have this concern, we, a lot of us gave you our vote on that particular bill, but the concern was we didn't want to create a situation where we were going to be requiring governmental entities, if they have those signs right now, to take the language on their sign and change it so that it now would be in compliance with the laws we were adopting. And I think the way that the bill passed out previously wasn't going to create that affirmative duty—

Senator Patrick: Right.

Senator Davis: —on those governmental entities or other areas that may have signs like this. My concern with regard to the way these things are now linked, is that if I have a sign that says no concealed weapon permit holders are allowed to bring a weapon into this particular facility, but I haven't specifically followed the exemptions that are now in the bill, that I have a sign that's out of compliance with the law and that's going to create an additional cost to the entity that's got that sign up today.

Senator Patrick: No, and I can, that is not the way we read this, and I don't think that was the House intent. The intent is, if there's an illegal sign up, now those signs should come down. They have 15 days to cure and, as in the bill, the, you know, that could be waived by the local prosecuting attorney or the attorney general if it's under his jurisdiction. So, the purpose is just for public entities. This isn't private, the public entities, government entities do not have signs, illegal signs up that confuse or prohibit CHL holders, any citizen from carrying in those places where they're allowed. That's the purpose of it, and they do have 15 days to cure, and even if there would be a penalty, that can be addressed in the waiver. So, it's not a matter of changing the sign if the sign is, is not, should not be there, it should be taken down. There's, it's more confusion I think than it's purposeful intent.

Senator Davis: So, it's not your intention and you don't believe that what this legislation would would be for that governmental entity to now change the sign so that it demonstrates—

Senator Patrick: No, it is not.

Senator Davis: —that certain persons are exempted from—

Senator Patrick: It is not.

Senator Davis: —the prohibition.

Senator Patrick: You're correct. That is not the intent, and I can, we can put this conversation, ask for it to be recorded in the Journal for intent. I can add legislative intent and I will talk to the House sponsor as well. That is not the intent.

Senator Davis: Thank you, Senator.

Senator Patrick: Thank you, Senator.

Presiding Officer: Thank you, Senator Davis. Senator Watson, for what purpose?

Senator Watson: Question the author.

Senator Patrick: Yes, Sir.

Senator Watson: I want to follow up, and Senator Davis did a good job of asking questions I was going to ask about. But when I read what you want to add, it says that a state agency or political subdivision of the state may not provide notice by communication described by the 30 aught 6 issue or by any sign expressly referring to that law that prohibits that class of people from entering or remaining on a premise or any other place owned or leased by the governmental entity. So, what, the way that seems to read is that somebody that currently has one of the 30 aught 6 notices, and they might be doing it in a legitimate way, but what you're saying with this is that if

they are doing that, it reads like if you fail to exclude those people, even though they ought to know, they're elected officials, and they have a special exemption here. It reads like they are then in violation of that sign law.

Senator Patrick: Again, you're the attorney. I am not, and I respect your reading of it, but that is not the intent. It was not the intent of the original bill. We'll make sure we put that in legislative intent, as you said, people usually know if they're exempted, but we will make sure that is in legislative intent.

Senator Watson: So, let me be clear. If it's not your intent to the signs to do something different than they do now, what is the need for having this language as it relates to a prohibition of the signs saying something?

Senator Patrick: Say that again, Senator.

Senator Watson: Your legislation says that a state agency or political subdivision may not provide notice by a communication described by Section 30.06 Penal Code or by any sign expressly referring to that law or to a CHL that these people can't enter in certain premises. Why are you tying it to sign language if you're not intending to change the signs themselves?

Senator Patrick: Again, that's not our read of it, that's your read of it. Our read of it is that if the sign is there illegally, the sign should be brought down, not that it has to be changed to add that list.

Senator Watson: Alright, then let's walk through a couple of hypotheticals. Give me an example of where you think a sign, a 30 aught 6 sign, under your bill—

Senator Patrick: Right.

Senator Watson: —would, and, well, let's do it this way. A 30 aught 6 sign is illegally placed. Give me an example of that.

Senator Patrick: What we did, and what the House did was tie it together to make sure it was germane. It was not changing the intent. And I was asked this question the first time when we passed this bill out, I think 25 to 6, about specific instances, and I said at the time, Senator, I couldn't give specific instances. I was not advised, but I have been advised is that there have been a number of people who have, believe that they have been stopped from carrying their guns on government property where they should have been allowed. And the purpose of this bill is simply to make sure those government entities know before they put up the sign, that they're legally can.

Senator Watson: Okay. So, so let's do it this way. Let's assume for purposes of this discussion, you have a governmental building where somebody can enter that building if they, with a CHL and a concealed weapon, so that it would be illegal, or wrong, for that governmental entity to have a sign that says you can't. You with me so far?

Senator Patrick: Yes.

Senator Watson: That would cover these elected officials already, wouldn't it?

Senator Patrick: Yes.

Senator Watson: So, there's no need for this legislation that, that you're offering here, because under your legislation, it would be illegal to have such a sign anyway.

Senator Patrick: Well, you're correct. And as I said, that was the Legislative Council draft to make sure it tied in properly. That's the best way I can explain it to you.

Senator Watson: So, I guess the point being, I'm not sure I understand why we need to do this if it would already be illegal under the legislation that we passed in Senate Bill 508. I, it would—

Senator Patrick: Again—

Senator Watson: —all it's going to do is create more confusion.

Senator Patrick: —it was a concern on the House. I think there was originally a point of order, and they wanted to address to make sure it was germane, and that was the change in the language. But if a sign should not be there, I take your hypothetical back. There's no need to make that change on the sign if the sign shouldn't be there.

Senator Watson: Correct. So, okay, let's now—

Senator Patrick: So, we're—

Senator Watson: —now let's go to a place where a sign can be. Let's have our second hypothetical. You have a governmental entity that has a 30 aught 6 sign up, and it's legitimate for them to have that 30 aught 6—

Senator Patrick: Correct.

Senator Watson: —sign up. Does this additional language say that that 30 aught 6 sign cannot apply to that list of elected or appointed officials?

Senator Patrick: Yes, that sign would not apply as signs today do not apply to judges and district attorneys.

Senator Watson: And today, the signs, your position is today the signs don't apply—

Senator Patrick: To those who are exempted.

Senator Watson: —and so, my question is, even in legitimate case where they've got a 30 aught 6 sign, this legislation, what you're telling me is, you don't need this legislation for that either.

Senator Patrick: You would not need to add that additional language. That is the intent. The intent is the original bill for public entities not to put up a sign that they legally cannot put up.

Senator Watson: So, if they have one up now that is illegal, this doesn't add anything, and if they have one up that is legal, this doesn't add anything.

Senator Patrick: Correct. That is the intent. You are correct.

Senator Watson: So, what are we doing other than taking a vote just to show we can take another gun vote?

Senator Patrick: No. That's not correct, Senator. The purpose is that, the purpose of the legislation says, if you have a sign that's illegal, you can now face a fine if you leave that sign in place when you're notified you should not.

Senator Watson: Those places that we can agree legitimately can have a 30 aught 6 sign up.

Senator Patrick: Right.

Senator Watson: Okay, they can legitimately have a sign that says you may not enter these premises.

Senator Patrick: Right.

Senator Watson: It is your intent, and you're stating right now that they are not going to find themselves in violation of this law if they don't also put up, this does not apply to these—

Senator Patrick: Correct.

Senator Watson: —(inaudible) individuals?

Senator Patrick: Correct.

Senator Watson: Those places can leave up their 30 aught 6 sign, exactly as it is—

Senator Patrick: If it's legal to do so—

Senator Watson: —if it's—

Senator Patrick: —correct.

Senator Watson: —otherwise legal to do so.

Senator Patrick: Yes, Sir.

Senator Watson: Okay.

Senator Patrick: Thank you, Senator.

Senator Watson: Thank you.

Presiding Officer: Thank you, Senator Watson. Senator Garcia, for what purpose?

Senator Garcia: Question of the author.

Presiding Officer: Senator Patrick—

Senator Patrick: Yes.

Presiding Officer: Yield?

Senator Garcia: Senator, I think Senator Davis and Senator Watson have covered a lot of parts of my question. The only thing I think I still need to resolve is, did the penalty stay the same, is it still \$1,000 for the first day and \$10,000 each day thereafter?

Senator Patrick: That did not change at all, but they can be waived.

Senator Garcia: They can be waived?

Senator Patrick: They can be waived.

Senator Garcia: Alright, thank you.

Senator Patrick: Thank you.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Sunday, May 26, 2013 - 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 ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 2012 (92 Yeas, 53 Nays, 2 Present, not voting)

HB 2305 (126 Yeas, 20 Nays, 1 Present, not voting)

HB 3106 (146 Yeas, 0 Nays, 2 Present, not voting)

SB 219 (137 Yeas, 8 Nays, 1 Present, not voting)

SB 358 (116 Yeas, 22 Nays, 1 Present, not voting)

SB 949 (143 Yeas, 2 Nays, 2 Present, not voting)

SB 1373 (145 Yeas, 2 Nays, 2 Present, not voting)

SB 1907 (135 Yeas, 8 Nays, 1 Present, not voting)

THE HOUSE HAS DISCHARGED ITS CONFEREES AND CONCURRED IN SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 870 (129 Yeas, 10 Nays, 5 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

**CONFERENCE COMMITTEE ON
SENATE JOINT RESOLUTION 1 DISCHARGED**

On motion of Senator Williams and by unanimous consent, the Senate conferees on **SJR 1** were discharged.

Question — Shall the Senate concur in the House amendments to **SJR 1**?

Senator Williams moved to concur in the House amendments to **SJR 1**.

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

SENATE RULE 12.09(a) SUSPENDED
(Printing and Notice of Conference Committee Reports)

On motion of Senator Williams and by unanimous consent, Senate Rule 12.09(a) was suspended as it relates to the Conference Committee Report on **HB 1025**.

CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 1025 ADOPTED

Senator Williams called from the President's table the Conference Committee Report on **HB 1025**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Williams, the Conference Committee Report was adopted by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Campbell, Patrick, Paxton.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 484 ADOPTED

Senator Whitmire called from the President's table the Conference Committee Report on **SB 484**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Whitmire, the Conference Committee Report was adopted by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Patrick, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Campbell, Nichols, Paxton.

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 401 ADOPTED

Senator Lucio called from the President's table the Conference Committee Report on **SB 401**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Lucio, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Birdwell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Patrick, Paxton, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Campbell, Nichols.

SENATE CONCURRENT RESOLUTION 43

The Presiding Officer laid before the Senate the following resolution:

WHEREAS, Senate Joint Resolution No. 1 has been adopted by the senate and the house of representatives and is being prepared for enrollment; and

WHEREAS, The resolution contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 83rd Legislature of the State of Texas, That the enrolling clerk of the senate be instructed to correct Senate Joint Resolution No. 1 in Section 1 of the resolution, in proposed Section 49-d-13(d)(5), Article III, Texas Constitution, by striking "revenue bonds issued by the board under this subchapter, that are designated by the Texas Water Development Board or that board's successor in function" and substituting "revenue bonds issued under this section by the Texas Water Development Board or that board's successor in function".

WILLIAMS

SCR 43 was read.

On motion of Senator Williams, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1091

Senator Williams offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 6 (relating to the creation and re-creation of funds and accounts, the dedication and rededication of revenue, and the exemption of unappropriated money from use for general governmental purposes), to consider and take action on the following matters:

(1) Senate Rule 12.03(2) is suspended to permit the committee to omit text not in disagreement in proposed Section 2 of the bill to read as follows:

SECTION 2. ABOLITION OF FUNDS, ACCOUNTS, AND DEDICATIONS. Except as otherwise specifically provided by this Act, all funds and accounts created or re-created by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law and all dedications or rededications of revenue collected by a state agency for a particular purpose by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law are abolished on the later of August 31, 2013, or the date the Act creating or re-creating the fund or account or dedicating or rededicating revenue takes effect.

Explanation: The omission is necessary to clarify that Section 2 of the bill applies to a dedication of revenue irrespective of whether the revenue collected is in the state treasury.

(2) 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 in proposed Sections 11(5)-(10) of the bill to read as follows:

(5) the dedication of fee revenue collected under Section 91.0115, Natural Resources Code, for deposit to the oil and gas regulation and cleanup fund as provided by House Bill No. 7 or similar legislation;

(6) the dedication of tax revenue imposed under Chapter 171, Tax Code, for deposit to the property tax relief fund as provided by Section 171.664 of that code, as added by House Bill No. 800 or similar legislation;

(7) the allocation of tax revenue for deposit to the credit of the available school fund and to the credit of the state highway fund as provided by Section 162.506, Tax Code, as added by House Bill No. 2148 or similar legislation;

(8) the dedication of amounts for deposit to the compensation to victims of crime fund as provided by Section 140.012, Civil Practice and Remedies Code, as added by House Bill No. 3241 or similar legislation;

(9) the dedication of fees and court costs for deposit to the statewide electronic filing system fund as provided by Section 51.851, Government Code, as added by House Bill No. 2302 or similar legislation; and

(10) the allocation of money received by the attorney general as provided by Section 402.007, Government Code, as amended by House Bill No. 1445 or similar legislation.

Explanation: This addition is necessary to provide for Section 2 of the bill not to abolish the identified dedications of revenue.

(3) 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 in proposed Sections 12(a)(3), (a)(4), and (b) of the bill to read as follows:

(3) the habitat protection and research fund held inside the treasury as provided by Section 490F.404, Government Code, as added by House Bill No. 3509 or similar legislation; and

(4) the transportation infrastructure fund created in the state treasury by Section 256.102, Transportation Code, as added by Senate Bill No. 1747 or similar legislation.

(b) Section 2 of this Act does not apply to the State Water Implementation Fund for Texas or to the State Water Implementation Revenue Fund for Texas in the state treasury as established by House Bill No. 4 of the 83rd Legislature, Regular Session, 2013, to implement the creation of those funds by the constitutional amendment proposed by Senate Joint Resolution No. 1, 83rd Legislature, Regular Session, 2013, except that those funds are not created if the voters do not approve of that constitutional amendment at an election held November 5, 2013.

Explanation: This addition is necessary to provide for Section 2 of the bill not to abolish the identified funds.

(4) Senate Rules 12.03(1) and (2) are suspended to permit the committee to change and omit text not in disagreement in proposed Section 15 of the bill, in amended Section 403.095(b), Government Code, as follows:

(b) Notwithstanding any law dedicating or setting aside revenue for a particular purpose or entity, dedicated revenues that [7] on August 31, 2015 [~~2013~~], are estimated to exceed the amount appropriated by the General Appropriations Act or

other laws enacted by the 83rd ~~[82nd]~~ Legislature are available for general governmental purposes and are considered available for the purpose of certification under Section 403.121.

Explanation: The changes and omissions are necessary to provide for unappropriated dedicated revenues to be made available for general governmental purposes and to be considered available for certification under Section 403.121, Government Code.

(5) 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 in proposed Sections 8, 9, 10, 13, and 14 of the bill to read as follows:

SECTION 8. CREATION OF NEW ACCOUNTS FOR LICENSE PLATE FEES. Section 2 of this Act does not apply to a new account created for receipt of fees for special license plates or for receipt of related revenue, gifts, or grants as provided by an Act of the 83rd Legislature, Regular Session, 2013, or to the dedication of revenue to or contained in the new account.

SECTION 9. ADDITIONAL USES FOR DEDICATED FUNDS, ACCOUNTS, OR REVENUE. Section 2 of this Act does not apply to a newly authorized dedication of or use of a dedicated fund, a dedicated account, or dedicated revenue as provided by an Act of the 83rd Legislature, Regular Session, 2013, to the extent that Act affects a fund, an account, or revenue that was exempted from funds consolidation before January 1, 2013. A dedicated fund, a dedicated account, or dedicated revenue that was exempted from funds consolidation before January 1, 2013, may be used as an Act of the 83rd Legislature, Regular Session, 2013, provides, and a change in the name or authorized use of a previously exempted dedicated fund or account does not affect the fund's or account's dedicated nature.

SECTION 10. ACCOUNTS IN GENERAL REVENUE FUND. Effective on the later of the effective date of the Act creating the account or August 31, 2013, the following account and the revenue deposited to the credit of the account are exempt from Section 2 of this Act and the account is created in the general revenue fund, if created by an Act of the 83rd Legislature, Regular Session, 2013, that becomes law:

The statewide electronic filing system fund created as an account in the general revenue fund by Section 51.852, Government Code, as added by House Bill No. 2302 or similar legislation.

SECTION 13. MONEY TRANSFERRED ON DISSOLUTION OF TEXAS HEALTH INSURANCE POOL; ACCOUNT. Section 2 of this Act does not apply to the account created in the Texas Treasury Safekeeping Trust Company for the purposes of Section 6 of Senate Bill No. 1367 or similar legislation of the 83rd Legislature, Regular Session, 2013, and does not apply to the revenue dedicated for deposit to that account.

SECTION 14. DEDICATION OF ASSESSMENTS AND FEES RELATING TO EXAMINATION OF INSURERS. Section 2 of this Act does not apply to the dedication of assessments or fee revenue under Section 401.156, Insurance Code, as provided by Senate Bill No. 1665 or similar legislation of the 83rd Legislature, Regular Session, 2013.

Explanation: These additions are necessary to provide for Section 2 of the bill not to abolish additional uses of funds, accounts, or revenue and not to abolish the identified accounts and dedications of revenue.

(6) Senate Rules 12.03(1) and (4) are suspended to permit the committee to change text not in disagreement and to add text on a matter not included in either the house or senate version of the bill in Sections 16(a) and (b) of the bill as follows:

SECTION 16. EFFECT OF ACT. (a) This Act prevails over any other Act of the 83rd Legislature, Regular Session, 2013, regardless of the relative dates of enactment, that purports to create or re-create a special fund or account or to dedicate or rededicate revenue to a particular purpose, including any fund, account, or revenue dedication abolished under former Section 403.094, Government Code.

(b) An exemption from the application of Section 403.095, Government Code, contained in another Act of the 83rd Legislature, Regular Session, 2013, that is exempted from the application of Section 2 of this Act has no effect.

Explanation: The changes and additions are necessary to clarify the effect of the bill.

SR 1091 was read and was adopted by the following vote: Yeas 31, Nays 0.

**SENATE RULE 12.09(a) SUSPENDED
(Printing and Notice of Conference Committee Reports)**

On motion of Senator Williams, Senate Rule 12.09(a) was suspended as it relates to the Conference Committee Report on **HB 6** by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 6 ADOPTED**

Senator Williams called from the President's table the Conference Committee Report on **HB 6**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Williams, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Watson.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 8 ADOPTED**

Senator Nelson called from the President's table the Conference Committee Report on **SB 8**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Nelson, the Conference Committee Report was adopted by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams.

Nays: Garcia, Rodríguez, Zaffirini.

SENATE CONCURRENT RESOLUTION 44

The Presiding Officer laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 8 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains a technical error that should be corrected; now, therefore, be it

RESOLVED, by the 83rd Legislature of the State of Texas, That the enrolling clerk of the senate be instructed to correct Senate Bill No. 8 in SECTION 6 of the bill, in added Section 531.1022, Government Code, by adding Subsection (d) to that section to read as follows:

(d) A peace officer employed and commissioned under this section shall obtain prior approval from the office of attorney general before carrying out any duties requiring peace officer status.

HINOJOSA

SCR 44 was read.

On motion of Senator Hinojosa, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

RECESS

On motion of Senator Whitmire, the Senate at 5:43 p.m. recessed until 6:00 p.m. today.

AFTER RECESS

The Senate met at 6:10 p.m. and was called to order by Senator Eltife.

BILLS AND RESOLUTIONS SIGNED

The Presiding Officer announced the signing of the following enrolled bills and resolutions in the presence of the Senate after the captions had been read:

SB 39, SB 67, SB 168, SB 221, SB 251, SB 316, SB 404, SB 443, SB 453, SB 475, SB 482, SB 490, SB 497, SB 498, SB 519, SB 585, SB 597, SB 624, SB 637, SB 659, SB 662, SB 680, SB 718, SB 724, SB 725, SB 752, SB 763, SB 809, SB 832, SB 837, SB 854, SB 869, SB 906, SB 1074, SB 1080, SB 1083, SB 1098, SB 1100, SB 1145, SB 1195, SB 1771, SCR 27, SB 124, SB 306, SB 393, SB 512, SB 555, SB 615, SB 722, SB 751, SB 757, SB 778, SB 831, SB 1009, SB 1029, SB 1040, SB 1086, SB 1175, SB 1255, SB 1256, SB 1266, SB 1268, SB 1297, SB 1313, SB 1322, SB 1376, SB 1393, SB 1394, SB 1400, SB 1404, SB 1413, SB 1457, SB 1508, SB 1533, SB 1553, SB 1557, SB 1585, SB 1590, SB 1597, SB 1604, SB 1609, SB 1635, SB 1658, SB 1806, SB 1810, SB 1827, SB 1833, SB 1842, SB 1863, SB 1867, SB 1873, SB 1879, SB 1891, SB 1899, SB 1913, SB 1917, HB 8, HB 148, HB 438, HB 462, HB 528, HB 633, HB 694, HB 696, HB 714, HB 746, HB 807, HB 916, HB 984, HB 1044, HB 1120, HB 1185, HB 1260, HB 1284, HB 1354, HB 1355, HB 1376, HB 1382, HB 1487, HB 1501, HB 1523, HB 1562, HB 1573, HB 1586, HB 1588, HB 1597, HB 1662, HB 1813, HB 1862, HB 2036, HB 2123, HB 2148, HB 2153, HB 2163, HB 2267, HB 2318, HB 2362, HB 2373, HB 2448, HB 2451, HB 2460, HB 2483, HB 2485, HB 2539,

HB 2676, HB 2718, HB 2719, HB 2767, HB 2824, HB 2907, HB 2924, HB 2984, HB 3005, HB 3038, HB 3066, HB 3085, HB 3121, HB 3196, HB 3241, HB 3296, HB 3370, HB 3460, HB 3536, HB 3573, HB 3604, HB 3613, HB 3640, HB 3659, HB 3674, HB 3677, HB 3714, HB 3739, HB 3787, HB 3798, HB 3831, HB 3838, HB 3874, HB 3875, HB 3877, HB 3895, HB 3910, HB 3913, HB 3943, HB 3947, HCR 82, HCR 89, HCR 111, HCR 115, HJR 24.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1173 ADOPTED**

Senator West called from the President's table the Conference Committee Report on **SB 1173**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator West, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1073

Senator Nelson offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 949 (licensing under the Medical Practice Act) to consider and take action on the following matter:

Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following new SECTION to the bill:

SECTION 2. Section 155.051, Occupations Code, is amended by adding Subsections (d) and (e) to read as follows:

(d) The time frame to pass each part of the examination does not apply to an applicant who:

(1) is licensed and in good standing as a physician in another state;

(2) has been licensed for at least five years;

(3) does not hold a medical license in the other state that has or has ever had any restrictions, disciplinary orders, or probation; and

(4) will practice in a medically underserved area or a health manpower shortage area, as those terms are defined by Section 157.052.

(e) The board may by rule establish a process to verify that a person, after meeting the requirements of Subsection (d), practices only in an area described by Subsection (d)(4).

Explanation: This change is necessary to exempt certain applicants for a medical license from the time frame requirement to pass each part of the licensing examination.

SR 1073 was read and was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 949 ADOPTED**

Senator Nelson called from the President's table the Conference Committee Report on **SB 949**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Nelson, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3447 ADOPTED**

Senator Uresti called from the President's table the Conference Committee Report on **HB 3447**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Uresti, the Conference Committee Report was adopted by the following vote: Yeas 26, Nays 5.

Yeas: Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Paxton, Rodriguez, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Campbell, Hancock, Patrick, Schwertner.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3569 ADOPTED**

Senator Uresti called from the President's table the Conference Committee Report on **HB 3569**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Uresti, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Patrick.

SENATE RESOLUTION 1085

Senator Nelson offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 7 (improving the delivery and quality of certain health and human services, including the delivery and quality of Medicaid acute care services and long-term services and supports) 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 proposed SECTION 2.03 to ARTICLE 2 of the bill to read as follows:

SECTION 2.03. Subchapter A, Chapter 533, Government Code, is amended by adding Section 533.00285 to read as follows:

Sec. 533.00285. STAR + PLUS QUALITY COUNCIL. (a) The STAR + PLUS Quality Council is established to advise the commission on the development of policy recommendations that will ensure eligible recipients receive quality, person-centered, consumer-directed acute care services and long-term services and supports in an integrated setting under the STAR + PLUS Medicaid managed care program.

(b) The executive commissioner shall appoint the members of the council, who must be stakeholders from the acute care services and long-term services and supports community, including:

(1) representatives of health and human services agencies;

(2) recipients under the STAR + PLUS Medicaid managed care program;

(3) representatives of advocacy groups representing individuals with disabilities and seniors who are recipients under the STAR + PLUS Medicaid managed care program;

(4) representatives of service providers for individuals with disabilities; and

(5) representatives of health maintenance organizations.

(c) The executive commissioner shall appoint the presiding officer of the council.

(d) The council shall meet at least quarterly or more frequently if the presiding officer determines that it is necessary to carry out the responsibilities of the council.

(e) Not later than November 1 of each year, the council in coordination with the commission shall submit a report to the executive commissioner that includes:

(1) an analysis and assessment of the quality of acute care services and long-term services and supports provided under the STAR + PLUS Medicaid managed care program;

(2) recommendations regarding how to improve the quality of acute care services and long-term services and supports provided under the program; and

(3) recommendations regarding how to ensure that recipients eligible to receive services and supports under the program receive person-centered, consumer-directed care in the most integrated setting achievable.

(f) Not later than December 1 of each even-numbered year, the commission, in consultation with the council, shall submit a report to the legislature regarding the assessments and recommendations contained in any report submitted by the council under Subsection (e) during the most recent state fiscal biennium.

(g) The council is subject to the requirements of Chapter 551.

(h) A member of the council serves without compensation.

(i) On January 1, 2017:

(1) the council is abolished; and

(2) this section expires.

Explanation: The change is necessary to establish the STAR + PLUS Quality Council and provide for the operation and duties of the council.

(2) 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 proposed SECTION 2.13 to ARTICLE 2 of the bill to read as follows:

SECTION 2.13. (a) Not later than October 1, 2013, the executive commissioner of the Health and Human Services Commission shall appoint the members of the STAR + PLUS Quality Council as required by Section 533.00285, Government Code, as added by this article.

(b) The STAR + PLUS Quality Council, in coordination with the Health and Human Services Commission, shall submit:

(1) the initial report required under Subsection (e), Section 533.00285, Government Code, as added by this article, not later than November 1, 2014; and

(2) the final report required under that subsection not later than November 1, 2016.

(c) The Health and Human Services Commission shall submit:

(1) the initial report required under Subsection (f), Section 533.00285, Government Code, as added by this article, not later than December 1, 2014; and

(2) the final report required under that subsection not later than December 1, 2016.

Explanation: The change is necessary to ensure the appointment of members to the STAR + PLUS Quality Council by October 1, 2013, and to establish the dates by which certain reports required under Section 533.00285, Government Code, must be submitted by the council and by the Health and Human Services Commission.

(3) 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 proposed SECTION 2.16 to ARTICLE 2 of the bill to read as follows:

SECTION 2.16. Not later than September 15, 2013, the governor, lieutenant governor, and speaker of the house of representatives shall appoint the members of the STAR + PLUS Nursing Facility Advisory Committee as required by Section 533.00252, Government Code, as added by this article.

Explanation: The change is necessary to ensure the appointment of members to the STAR + PLUS Nursing Facility Advisory Committee by September 15, 2013.

SR 1085 was read and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 7 ADOPTED

Senator Nelson called from the President's table the Conference Committee Report on **SB 7**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Nelson, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Ellis.

REASON FOR VOTE

Senator Ellis submitted the following reason for vote on the Conference Committee Report on **SB 7**:

I voted against SB 7 because of the language in Section 6.09, which places a limitation on the provision of medical assistance. This provision would prohibit HHSC from expanding medical assistance to individuals for whom federal matching

funds were not available under the eligibility criteria for medical assistance in effect on December 31, 2013. As I am in support of the Affordable Care Act and the expansion of Medicaid to all eligible populations for which federal funds are available starting in 2014, I cannot support legislation that would limit the state's ability to draw down funding to provide health insurance cover to our state's most vulnerable populations.

ELLIS

SENATE RESOLUTION 1068

Senator Carona offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 3106 (compensatory payments and reinsurance agreements made in connection with the issuance of title insurance) to consider and take action on the following matter:

Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following new SECTIONS to the bill:

SECTION 2. Section 2551.305, Insurance Code, is amended by adding Subsection (e) to read as follows:

(e) Notwithstanding any other provision of this subchapter, a title insurance company may obtain reinsurance by a reinsurance treaty or other reinsurance agreement from an assuming insurer with a financial strength rating of B+ or better from the A. M. Best Company that meets the requirements of Subchapter C, Chapter 493, if the title insurance company has provided the department with an affidavit that:

(1) contains facts that demonstrate the title insurance company was unable after diligent effort to procure sufficient reinsurance from another title insurance company; and

(2) states the terms of the reinsurance treaty or other reinsurance agreement that the title insurance company will obtain.

SECTION 4. The change in law made by Section 2551.305(e), Insurance Code, as added by this Act, applies only to reinsurance obtained on or after the effective date of this Act. Reinsurance obtained 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.

Explanation: This addition is necessary to allow a title insurance company, on satisfaction of certain requirements, to obtain reinsurance from certain insurers.

SR 1068 was read and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3106 ADOPTED

Senator Carona called from the President's table the Conference Committee Report on **HB 3106**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Carona, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 0, Present-not voting 1.

Present-not voting: Paxton.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 217 ADOPTED**

Senator Patrick called from the President's table the Conference Committee Report on **SB 217**. The Conference Committee Report was filed with the Senate on Friday, May 24, 2013.

On motion of Senator Patrick, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 1926 ADOPTED**

Senator Hegar called from the President's table the Conference Committee Report on **HB 1926**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Hegar, the Conference Committee Report was adopted by the following vote: Yeas 26, Nays 5.

Yeas: Birdwell, Campbell, Carona, Davis, Duncan, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Van de Putte, West, Whitmire, Williams.

Nays: Deuell, Rodríguez, Uresti, Watson, Zaffirini.

SENATE RESOLUTION 1075

Senator Paxton offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 1017 (the funding for and administration of travel and information operations by the Texas Department of Transportation) to consider and take action on the following matter:

Senate Rule 12.03(1) is suspended to permit the committee to change text not in disagreement in proposed Section 1 of the bill, in added Section 204.003(b), Transportation Code, to read as follows:

(b) The department may:

(1) enter into an agreement with:

(A) another state agency for the operation of a travel information center;

or

(B) a local government, including a commission created under Chapter 391, Local Government Code, for the operation of a travel information center that is located within the boundaries of the local government; and

(2) issue a request for proposals to private or nonprofit entities for the operation of a travel information center.

Explanation: This change is necessary to allow the Texas Department of Transportation to enter into an agreement with another state agency for the operation of a travel information center.

SR 1075 was read and was adopted by the following vote: Yeas 30, Nays 1.

Nays: Uresti.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1017 ADOPTED

Senator Paxton called from the President's table the Conference Committee Report on **SB 1017**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Paxton, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Uresti.

SENATE RESOLUTION 1076

Senator Taylor offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 3459 (access to and protection of certain coastal areas) to consider and take action on the following matter:

Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following new SECTIONS to the bill:

SECTION 7. The legislature finds that:

(1) the Galveston-Houston region and the region's economic and strategic infrastructure are at risk due to exposure to potential catastrophic storm surge;

(2) to protect the Galveston-Houston region's five million residents and the region's economic and strategic infrastructure, various federal, state, and local entities, led by Texas A&M University at Galveston, are studying and developing conceptual designs for a coastal barrier to protect the region from hurricane-induced storm surge;

(3) as currently envisioned, a project referred to as the "Ike Dike" would extend the protection afforded by the Galveston Seawall along the rest of Galveston Island and along the Bolivar Peninsula by creating a 17-foot-high revetment (sand covered dune with hardened cores) near the beach or by raising coastal highways;

(4) the addition of floodgates at Bolivar Roads, at the entrance to the Houston, Texas City, and Galveston Ship Channels, and at San Luis Pass would complete a coastal spine that would provide a barrier against all gulf surges into Galveston Bay;

(5) a research team is being led by Texas A&M University at Galveston through its Center for Texas Beaches and Shores using strong partnerships with the U.S. Department of Homeland Security Coastal Hazards Center of Excellence at

Jackson State University, the Netherlands' Delft University of Technology's Department of Hydraulic Engineering, and the University of Houston C. T. Bauer College of Business's Institute for Regional Forecasting;

(6) the General Land Office is a sponsor of and nonfederal partner for a United States Army Corps of Engineers study of the upper Texas coast to develop a list of specific recommended projects that may become eligible for federal appropriations;

(7) the United States Army Corps of Engineers study, which encompasses Brazoria, Galveston, Harris, Chambers, Jefferson, and Orange Counties, includes the coastal barrier/"Ike Dike" concept; and

(8) as a result of the studies and recommendations described by this section, the legislature may need to enact or amend state law to accommodate the building of a coastal barrier to protect the region from hurricane-induced storm surge.

SECTION 8. (a) The legislature shall establish a joint interim committee to conduct a study of:

(1) the effectiveness of the implementation of the changes in law made by this Act to Chapter 61, Natural Resources Code; and

(2) the feasibility and desirability of:

(A) creating and maintaining a coastal barrier system in this state that includes a series of gates and barriers to prevent storm surge damage to gulf beaches or coastal ports, industry, or property; and

(B) authorizing coastal property owners to grant easements to governmental entities to construct and maintain stabilized dunes in connection with or separately from the system.

(b) The committee is composed of:

(1) the members of the standing committee of the senate that has primary jurisdiction over natural resources;

(2) the members of the standing committee of the house of representatives that has primary jurisdiction over land and resource management;

(3) two members of the senate appointed by the lieutenant governor, each of whom represents a district in a county that borders the Gulf of Mexico; and

(4) two members of the house of representatives appointed by the speaker of the house of representatives, each of whom represents a district in a county that borders the Gulf of Mexico.

(c) The lieutenant governor and the speaker of the house of representatives shall jointly designate a chair or, alternatively, designate two co-chairs from among the committee membership.

(d) The committee may adopt rules necessary to carry out the committee's duties under this section.

(e) Not later than December 1, 2014, the committee shall report to the governor and the legislature the findings of the study and any recommendations developed by the committee under this section.

Explanation: This addition is necessary to provide for a study determining the effectiveness of the implementation of the changes in law made by the bill to Chapter 61, Natural Resources Code, and determining the feasibility and desirability of certain coastal protection measures.

SR 1076 was read and was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3459 ADOPTED**

Senator Taylor called from the President's table the Conference Committee Report on **HB 3459**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Taylor, the Conference Committee Report was adopted by the following vote: Yeas 26, Nays 5.

Yeas: Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Fraser, Garcia, Hancock, Hinojosa, Huffman, Lucio, Nelson, Nichols, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Birdwell, Estes, Hegar, Patrick, Paxton.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 489 ADOPTED**

Senator Uresti called from the President's table the Conference Committee Report on **HB 489**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Uresti, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Hancock.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 3390 ADOPTED**

Senator Deuell called from the President's table the Conference Committee Report on **HB 3390**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Deuell, the Conference Committee Report was adopted by the following vote: Yeas 20, Nays 10.

Yeas: Birdwell, Campbell, Carona, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Huffman, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Williams, Zaffirini.

Nays: Davis, Ellis, Garcia, Hinojosa, Lucio, Rodríguez, Uresti, Van de Putte, Watson, Whitmire.

Absent: West.

REASON FOR VOTE

Senator Lucio submitted the following reason for vote on the Conference Committee Report on **HB 3390**:

I voted "Nay" on HB 3390 because it failed to meet the criteria needed to make responsible decisions on who received tax incentives. These are funds which are diverted from local schools districts and given to companies, who might not come to Texas, with the hopes that it would help develop new jobs. Over the past four years,

Texas has exceeded in developing new jobs through the existing Economic Development Act. HB 3390 weakens existing criteria. Criteria which has been used effectively to protect the citizens of Texas who deserve to know that their tax dollars are being used in a prudent and effective manner.

LUCIO

STATEMENT OF LEGISLATIVE INTENT

Senator Deuell submitted the following statement of legislative intent for **HB 3390**:

In evaluating the new language in Section 313.026 which outlines information which must be included in an economic impact evaluation, it is my intent that any economic impact evaluation under this chapter should reasonably include information which is being struck from current law. That information includes, but is not limited to, the following:

- 1.) The general nature of the applicant's investment.
- 2.) The relative level of the applicant's investment per qualifying job created by the applicant.
- 3.) The number of qualifying jobs to be created by the applicant.
- 4.) The wages, salaries, and benefits to be offered by the applicant to qualifying job holders.
- 5.) The impact the project will have on this state and individual local units of government, including tax revenue gains, direct or indirect, that would be realized during the limitation period, and a period of time after the limitation period.
- 6.) Economic effects of the project, including the impact on jobs and income, during the qualifying time period, the limitation period, and a period of time after the limitation period.
- 7.) The effect of the applicant's proposal, if approved, on the number or size of the school district's instructional facilities, as defined by Section 46.001, Education Code.
- 8.) The projected market value of the qualified property of the applicant.
- 9.) The projected dollar amount of the taxes that would be imposed on the qualified property, for each year of the agreement, if the property does, or does not receive a limitation on appraised value with the assumptions of the projected appreciation or depreciation of the investment and projected tax rates.
- 10.) The projected effect on the Foundation School Program of payments to the district for each year of the agreement.
- 11.) The total amount of taxes projected to be lost or gained by the school district over the life of the agreement.

DEUELL

REMARKS ORDERED PRINTED

On motion of Senator Watson and by unanimous consent, the remarks regarding **HB 3390** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Deuell: Thank you, Mr. President. House Bill 3390 deals with the extension and reform of the Texas Economic Development Act. This Act was codified as Chapter 313 of the Tax Code passed in 2001, and it's intended to incentivize new business investments in Texas. At the time cities and counties could offer temporary tax abatements but school districts could not, and because school property taxes account for the single largest tax bill on most capital projects, Texas found itself at a competitive disadvantage to other states. The passage of the Economic Development Act allowed school districts to offer a temporary limitation on taxable value of new investment property to incentivize new business investment in the state. Originally set to sunset in 2007, the Act has been extended twice. When I was first appointed as Chairman of the Senate Economic Development Committee, we began looking at the Chapter 313 to determine where it could be improved. As is often the case, the criticisms of the program dealt with reporting, oversight, and compliance. This bill addresses those concerns. House Bill 3390 makes the following improvements to current law. One, it requires an annual ongoing audit conducted by the State Auditor's office. Two, it requires the Comptroller to approve a project and certify that it will be of economic benefit to the state. Three, it requires, for the first time, a written determination by the Comptroller that the limitation is a determining factor in a project's decision to locate in Texas. Four, it contains, again for the first time, a penalty provision for projects that do not comply with job creation requirements. Five, it has expanded reporting requirements for both the program and aggregate and for individual projects. And, six, current law requires a project to maintain a viable presence for three years following the expiration of the abatement. This bill increases that to five years. Members, I honestly believe that this bill is a significant improvement over current law, and we have put in safeguards that simply have not existed in the past, and we have increased oversight and accountability measures. I want to thank the Members of the Economic Development Committee, Senate, or, Lieutenant Governor Dewhurst and his office, and especially I want to thank Senator Kirk Watson and Senator Wendy Davis for their input. It is not a perfect bill, as they're getting ready to point out, but I believe Senator Watson and Senator Davis would like to comment.

Senator Davis: Thank you, Senator Deuell, and thank you for your comments about the work that we all did on this bill. I do think that we passed a very good bill out of the Senate. And, unfortunately, much of that good was lost in the conference committee process. Members, this chapter gives companies what are, essentially, abatements from school property taxes, as Senator Deuell explained. And the special treatment cuts what they pay to support our schools by an average of 65 percent for 10 years, with some companies getting as much as an 85 percent 10-year abatement. Now, since school districts aren't receiving those taxes, our school finance system requires that the state make up the difference. Chapter 313 is currently costing the state \$4.1 billion for agreements that are already signed and in effect. And the Conference Committee Report, unfortunately at this point, would double that cost to \$8.2 billion over the life of the bill. By the 2020-2021 budget and for several budgets after that, Chapter 313 will be cutting property tax support for our schools by more than \$1 billion per biennium. What we are talking about here, of course, is our school property tax system. And it's not a piñata that's meant to be whacked until the goodies

pour out. This is a very expensive incentive that should be given only in special cases. The Senate earlier this week passed a bill that would have made Chapter 313 better. We voted to cut the cost to future state budgets while still keeping a reasonable level of incentives. We created a test to ensure that tax breaks are given only to companies that would not invest in Texas without them. We created a new penalty provision to enforce that jobs that were promised would actually be created. But the Conference Committee Report removed or watered down almost all of those improvements, and what is left, unfortunately, is a bill that I cannot support. First of all, please understand that the tax breaks provided by virtue of this mechanism are what I consider to be the Cadillac of tax breaks. The current law sets a limited value, the value on which a company pays school maintenance and operation taxes in order to qualify for the abatement, which can be as low as \$1 million and, in most cases, no more than \$30 million. This is a very generous program, and we know this because virtually every company that receives these abatements offers supplemental payments to school districts that are often equal to 40 to 50 percent of the net tax benefit. If the companies are willing to give away half of their tax benefit then, clearly, those benefits are twice as large as they need to be. As the Comptroller concluded, this is evidence that incentives awarded are higher than necessary to attract these projects and represent unnecessary cost to the state. These supplemental payments represent a total of \$475 million in excess incentives just for agreements that were signed through last summer. The Senate raised the minimum taxable value to \$60 million across the board, with higher values in urban areas, which still allowed a generous tax reduction, but it would have saved hundreds of millions of dollars by avoiding over-incentivizing these projects. The conference committee kept the most common value at \$30 million, half the Senate value, left higher limits unchanged, and made only small changes for lower valuations. All of the cost savings from the Senate changes were therefore lost. This Conference Committee Report also represents what I would call an incredible shrinking job requirement. We know that the job requirement is already broken. In fact, when we first heard this bill in committee there was testimony about the fact that though this tool was initially created and ordered to incentivize jobs, job creation really had not followed it, but, instead, it was looked at as a tool to create investment in property values that would later be realized through collection on our tax rolls. Most Chapter 313 projects, now, create only 10 jobs to qualify, 25 in urban areas. And even this small number, believe it or not, can be waived if it's more than the industry standard. Under the Conference Committee Report, there are two new ways around even this minimal requirement. The Texas Workforce Commission can decide to count any related job, including one that is paid by a third party. And the Governor's Economic Development and Tourism Office can decide to count two separate projects as a single unified project and add the jobs together, all of this to get around creating just 10 new jobs to qualify for a tax break that is worth millions. In current law the penalties under this chapter are as follows: If a company fails to provide the number of jobs that they have said they would provide then the tax abatement is brought down according to a percentage that mirrors the job failure, but now, under the way this is written today, and being moved before us today, the companies would only be penalized for the wages that they should have been paying and will only be considered non-compliant if that's happened for an entire calendar year. If they violate

the minimum qualifying jobs a second time, they would only have to pay twice the wages they should have paid in the first place. And we've lost that corresponding percentage decrease in the abatement's value based on the percentage of jobs that were not promised. This bill also creates a test that I believe no project will ever fail. Many projects that get special Chapter 313 treatment would have come to Texas anyway, without incentives, because of our natural resources, our workforce, and our markets. So, to make sure we were offering only incentives that made a difference, the Senate added a very important "but for" test. The first step in that test was to measure the net present value of the school property taxes that were lost because of the 313 agreement against tax revenue generated as a result of the project. And the gain needed to be greater than the loss in order to be approved. That's so, obviously, our investment would realize some potential. But let me give an example of some projects that have had 313 abatements where the investment, as it was originally made, no longer exists. In the TexStar Midstream fractionator unit, the initial value of the investment was \$80 million, but when it finally came onto the tax rolls to be taxed, the final value was cut by nearly 90 percent, leaving only \$10 million for taxation. In the Horse Hollow wind farm, the initial value was \$620 million, today, when it came on the tax roll, it came on at only \$225 million, a value loss of more than 60 percent. The Samsung total investment was \$9 billion, but its final value, coming on the tax roll, was \$1 billion, a value loss of nearly 90 percent. So, there's an incentive being created based on an investment that ultimately never is realized on our tax roll. The Conference Committee Report loaded up one side of the equation on this cost benefit analysis with a kitchen sink clause. The CCR test counts any other tax revenue that could remotely be attributable to the effect of the project on the economy of the state. This is a good test of the imagination, but it is not a good test of the economic benefit of a specific project. The Senate's version had added a second step. Applicants had to provide tangible evidence that the 313 incentive was a determining factor in investing in Texas. We didn't want to provide tax breaks unless, of course, they were the difference in attracting the new project and the applicant had evidence to prove it. The Conference Committee Report says that providing tangible evidence now is optional. And in any case if a project somehow can't qualify under the CCR's easier test, the Comptroller only needs to make a qualitative determination that the project qualifies. No facts, no numbers, just a subjective judgment call to approve a project that could cost the state tens of millions of dollars. Finally, I think the Conference Committee Report allows us to simply be average in the jobs that are being created. Current law requires 80 percent of all new jobs to pay at least 110 percent of the local manufacturing wage. This guarantees that incentives will go only to companies that are bringing jobs that are significantly better than most jobs already in that county. But the CCR would eliminate the high wage standard for all but a required minimum number of those jobs, and I've already talked about how easy it is to get that minimum requirement waived. For all the other jobs created, the average wage must be no better than the average wage for all jobs already available in the county. What's worse, the CCR has no requirement that the jobs beyond the required minimum are ever reported, ever reported or reviewed by the Comptroller. We will never even know how many of these jobs are created or what they pay. It's a trust-me on this, and as we all know, it's better to trust but verify. In other words, under this CCR, the state will be

giving an incentive for jobs that are no better than average, that are never reported, at wages that are not enforced. Finally, this CCR creates a retroactive tax break. Normally an application filed under a statute is governed by the rules in effect at the time, but not in this version of the bill. The House version had an unusual, retroactive provision that allows a firm that already signed an agreement in 2013 to take their choice of which rules to follow, those in effect at the time the agreement was signed or the looser rules that will go into place starting in 2014 under this bill. They could back away from their signed commitment, create fewer jobs at lower wages, and still get the full tax incentive. Since Chapter 313 was created in 2001, it's been extended twice, as Senator Deuell said, once for three years and once for four years. This CCR would extend Chapter 313 for double that period, for an eight-year period of time. It would also cut off the current requirements a year before expiration, at the end of next year, so that the new bad provisions would be effective for a total of nine years. That's a long time for an expensive and wasteful program that the Senate tried very hard to improve and did improve in the version that came out of this floor. HB 1200, which was the bill that created Chapter 313 in 2001, became law without the Governor's signature. Governor Perry didn't want his name associated with the program, and I believe, under its current form, as we are receiving this bill back in the Senate today, neither should we. Thank you, Mr. President. Thank you, Senator Deuell.

Senator Deuell: Thank you, Senator Davis, if I could comment. I really think your comments are perhaps what I would call hypercritical and perhaps not exaggerated but putting the worst possible face on this program. And I acknowledge that we have more work to do, and I've pledged to you and Senator Watson that we'd work on that, but I'd like to point out, Members, that when we talk about the loss to schools, this is money that will not be in the state unless we offer this program. The Texas Economic Development Act is not the best program we have in the state to bring jobs, although jobs are a part of it. It is more oriented toward capital investment. And we do have, in this bill as written, we do have "but for" provisions meaning that we really have to make sure that these projects would not have come to the state otherwise, and I think that's really important to know. We have to have a benefits test. The Comptroller has to certify and give a certificate to do that. And for people that are out of work I think an average job, salary would really be something that they would welcome. But having said that, you know, I listed the benefits, the first-time things that are in this bill, and we'll continue to look at this program, as I mentioned, with the Events Trust Fund, we're going to be looking at all of these programs again in the interim. It'll be my first interim as Chair of the Economic Development. But having said that, I appreciate your comments, and I look forward to working with you and, Mr. President, I believe Senator Watson would make some comments on the bill.

Senator Watson: I'd like to ask some questions and create legislative intent.

Senator Deuell: Yes.

Senator Watson: Thank you, Senator. Before I do that, I want to do a couple of things. One is I want to thank you for your hard work on this bill and this issue and for your commitment that we will work during the interim on these programs. Members, I commented yesterday when we were, I guess it was yesterday, I've lost track of the days. When we talked about the Major Events Trust Fund, that I've been

a big supporter of these economic development funds wearing a variety of hats and have utilized them in ways. And Chapter 313, specifically in my district, I have utilized this and been a part of its utilization in ways that I think are very positive. What I expressed yesterday I want to express again, which is that we all need to be very careful because these economic development tools are here for a reason. They are to help us create jobs and help us create a vibrant economy and they are important. The truth is we are in a worldwide economy where it's very difficult to compete, and we're going to need economic development incentives and tools in order to carry that out. I have seen that firsthand. But those of us that support these tools must work and fight against those that would just turn them into a trough. We have to work to make sure these programs continue to work. And I am very troubled that as we look at Chapter 313, the good bill that we sent out of the Senate, the kind of cavalier attitude that some in the business community have had in making some of the changes to it. People are going to lose confidence in these programs that we need in order to be competitive. So, one of the areas, and I won't emphasize everything that Senator Davis said, but one of the areas, Senator Deuell, that I've been very concerned for some time about, is the need for disclosure and transparency when it comes to incentives provided through Chapter 313. And I was particularly concerned about the provisions in the Conference Committee Report that eliminate 20 specific pieces of information that need to be included in an economic impact evaluation, things like the number of qualifying jobs that would be created by a project and the wages, salaries, and benefits that would be offered to those employees. Instead of spelling out those requirements, the way we had done it, this Conference Committee Report says only that the Comptroller may any information that he or she considers necessary to gauge the economic impact of a project. I was uncomfortable with the Legislature offloading this important function to the Comptroller. However, let me ask you a couple of questions about intent. Is it your intent that the disclosure requirements that the Comptroller sets out should be substantially the same as those in current statute that the Conference Committee Report eliminates?

Senator Deuell: Yes.

Senator Watson: Do you believe it would be possible to do a meaningful economic development analysis without many of these pieces of information?

Senator Deuell: Well, I think what we've designed to do, Senator Watson, and I would not have had a problem leaving them in there, but what we wanted to do was give the Comptroller some flexibility to set criteria for looking at these projects based on the type of project that it is. As you well know, there are very large projects, there are small projects, and the businesses are different, and we really thought that it would give flexibility for the Comptroller. And the Comptroller has to certify, we really have provisions in here to, again, that what we call "but for," to make sure they would perhaps not have come here if we didn't offer this incentive program. But having said that I think it is my intent to look at this very closely over the interim and see if the Comptroller is applying the right criteria for these various programs. And I hope that answers—

Senator Watson: Well, I'm not sure it does because one of the things that we have talked about and, of course, I think you also received a letter from the Texas Taxpayers and Research Association, and you will recall that the president of that association in our hearing, I asked him a bunch of questions about these reporting requirements. And the Taxpayer and Research Association has been very deeply involved in the creation of this program and one of the chief defenders of the program, and in their letter they emphasize that doing the math for the benefits test will much of the very information that has been stripped out, as will other reporting requirements in the bill. In fact the letter says the proposed law moves from a finite list of application elements to a potentially infinite one. And so, my question to you is, do you believe it would be possible for us to have the kind of meaningful economic development analysis that is now left to the Comptroller to define what she or he wants without having most, if not all of those 20 elements that got stripped out of the bill?

Senator Deuell: Yes, I do, and let me read, you know, you're going to ask for this to go on the record, and I think that's a good thing. Let me talk about the audit, the State Auditor will select at least three projects per year to review. The auditor has a total say into which projects are selected. The auditor will make recommendations relating to the effectiveness and efficiency of the program and whether the agreements were executed in compliance with this chapter. There is currently no audit function in the statute. There will be a certificate of approval. The project cannot go forward without the approval of the Comptroller. The certificate, a local school district cannot approve a project without a certificate. The economic impact evaluation is required by the Comptroller as part of an application for a Chapter 313 agreement. The current law has a list of 20 factors that must be included. Under this bill the Comptroller's office may use any information. They could use more than the 20, Senator Watson.

Senator Watson: I know, and if I could interrupt you right there, that's the question that I think you just answered. I want to make sure I'm clear. I think you just said that the Comptroller could conduct a meaningful development, economic development analysis without those factors. I don't believe that to be the case, and I think maybe you misspoke. Is it your intent that those factors be included in the economic analysis so that we could have a meaningful economic analysis?

Senator Deuell: It is my intent that the Comptroller use reasonable criteria to evaluate the project. It may or may not include that 20, it could be more, it could be different, it will fit the particular business that needs to be evaluated. And in conjunction with the benefits test, there'll be much, a much more thorough evaluation of the economic impact. I would like the benefits test, for the first time the Comptroller must use data from the economic impact evaluation and a mathematical formula to determine if the project will generate over a 25-year period enough tax revenue to offset the school district in the no tax revenue that was abated. The Comptroller will be required to state in writing the basis for the determination and no such qualifying currently exists. Senator, if the Comptroller does not look at various issues, that's something we're going to be looking at over the interim and address in the next session. But I can't imagine the Comptroller, whoever that might be, not discharging their duties and responsibility by not looking at these projects, the "but for" provision for—

Senator Watson: All I'll say about that, because I don't want to filibuster your bill, is that part of the reason I wanted to create legislative intent is because we stripped out those very important reporting requirements. And it was my understanding that you believed that it would be difficult to do an economic analysis that was meaningful without those. I've now heard you, on two occasions, say you believe that the Comptroller could do such an analysis. And I've been told over and over again, Senator, is that it was okay to strip all of those out because it's a net, it's inherent in doing a meaningful analysis, and was already going to be considered. It would be redundant to have spelled them out. I found that very troubling. I found it troubling that if it was redundant, why couldn't we put it in the bill to assure that it would be done. And I've now been assured by you and by the Texas Taxpayers and Research Association, it's all part of it, until we get to the floor, and I've heard you now twice say it's unnecessary and we'll leave it to the discretion of the Comptroller. I am greatly troubled by that. I was prepared to vote for this bill, hold my nose and vote for this bill because I believe we need to have the economic development incentives, but I'm very troubled by the answers. Thank you, Mr. President.

Senator Ellis: Senator Deuell, I think that most of the questions I wanted to ask have already been asked. I don't know if anybody heard the answers, but they were asked. I don't want to be redundant. You were kind enough, when your bill came up, couple of weeks or so ago, to include an amendment to review all of our tax breaks that we give. It was something I think was neatly crafted. I watered it down, as you know I wanted all of these tax loopholes to go through the sunset review process. I took that out, at the suggestion of the Chair of the subcommittee, Senator Hegar. And I added that amendment to your bill, and I do appreciate you taking it. I also added it to House Bill 500. Is it still in your bill?

Senator Deuell: No, Sir, it's not.

Senator Ellis: Can you tell us, it passed unanimously two times in this Chamber, would you mind telling us who took it out? I assume you were for it because—

Senator Deuell: Well, it was taken out in the conference committee, and you weren't there, but take my word that I advocated for it. I could not sell it to the House side of the conference committee.

Senator Ellis: And I believe that. Senator, do you know how much we spend on tax exemptions per year in Texas?

Senator Deuell: No, Sir, but I intend to look at it in the interim.

Senator Ellis: The best estimate that I have gotten came from the Comptroller's office, and it was incomplete based on the study they did. It's \$44 billion. I saw in the *Houston Chronicle* today it said \$44 million, but it's 44 "B" billion dollars a year, and I just want to make sure that my colleagues who claim to be so fiscally conservative know that every year when we go through the appropriations process, every other year, if you are healthcare, if you are public ed, if you're higher ed, if you are the prison department, you have to make your case and we make a decision on how much we will appropriate. But if you were slick enough to hire a lobbyist and get a loophole over the last 150 years, some of them might be that old in our tax code, you just keep getting it. It's just like an annuity. You know, somebody might believe you really

earned it, not you, but that they really earned it, and that's my concern about this bill. I appreciate you taking it, taking the amendment the first go-round, and I appreciate you fighting for it. But to me, it's just a hypocrisy to know that there's at least \$44 billion in tax breaks every year in the Tax Code in Texas, and not be willing to at least review them, have a systematic process over 12 years, not a biennium, 12 years to see what they are and have the Comptroller and the LBB come back and say to us, hey, they did what we thought that they would do. But I appreciate your work, I'm going to vote "no" on your bill, but if I'm back here next session and you're back, if there's another vehicle and an opportunity to do it again, I hope you work with me again. Thank you, Sir.

Senator Deuell: Thank you, Senator Ellis. And I don't disagree with you. I took your amendment and I, again, would reiterate, with this particular program, there is nothing to tax if these businesses don't come to Texas and make this capital investment. And the purpose of this program, again, it's not the best job program we have, it is designed to bring capital investment and in turn bring jobs. We've set minimum requirements for jobs but, again, if we don't have this program we're not going to have the property here to tax to begin with. But thank you, and I can assure you as Chair of the Economic Development Committee, as I've said before on other bills, we're going to be looking at these programs. There's not really been a committee to look at them as closely as we looked at them this time and, again, appreciate especially Senator Davis and Senator Watson pushing this, and you as well. I do think we need to look at them. I do think that we need to make sure they're doing what they're supposed to do, that we, if we're investing tax money in some of these other programs or, in this case, bringing in the tax money, that we need to make sure that we did something to bring these businesses that otherwise wouldn't come here. And this bill, as I said, I'll acknowledge it's not perfect, but it does make some strong steps toward achieving our mutual goals, and thank you very much.

Senator West: Senator, you did a good job. I just want to close by saying that, you know, I carried something similar back, it was by accident, when Governor Bush was here. I had a sales tax holiday bill with a broad caption, so all of North Carolina's R&D tax cuts were added to that, so I know the position you're in. And, to a limited extent, I believe in the notion of trickle-down, but when we don't have the transparency sometimes instead of it trickling down we just get tricked. And that's my concern. Thank you.

Senator Deuell: Thank you, Sir.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2012 ADOPTED

Senator Patrick called from the President's table the Conference Committee Report on **HB 2012**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Patrick, the Conference Committee Report was adopted by the following vote: Yeas 24, Nays 7.

Yeas: Birdwell, Carona, Davis, Duncan, Ellis, Eltife, Estes, Garcia, Hegar, Hinojosa, Lucio, Nichols, Patrick, Rodríguez, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Campbell, Deuell, Fraser, Hancock, Huffman, Nelson, Paxton.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 680 ADOPTED

Senator Patrick called from the President's table the Conference Committee Report on **HB 680**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Patrick, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1080

Senator Zaffirini offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 12 (gifts and other consideration made to state agencies for state employee salary supplement or other purposes and to publication by state agencies of staff compensation and related information) to consider and take action on the following matters:

(1) Senate Rules 12.03(1) and (3) are suspended to permit the committee to change, alter, or amend text and to add text on matters not in disagreement by adding the following to Section 659.0201, Government Code, in SECTION 1 of the bill:

(b) A state agency that accepts a gift, grant, donation, or other consideration from a person that the person designates to be used as a salary supplement for an employee of the agency shall post on the agency's Internet website, in addition to the information required by Section 659.026, the amount of each gift, grant, donation, or other consideration provided by the person that is designated to be used as a salary supplement for an employee of the agency. The agency may not post the name of the person.

Explanation: The change is necessary to clarify which state agencies have to post certain information relating to a gift, grant, donation, or other consideration the agency receives on the agency's Internet website and to clarify the information that the agency is prohibited from posting.

(2) Senate Rules 12.03(1) and (3) are suspended to permit the committee to change, alter, or amend text and to add text on a matter not in disagreement by adding the following to Section 659.0201, Government Code, in SECTION 1 of the bill:

(c) A state agency described by Subsection (b) by rule shall adopt conflict of interest provisions regarding the acceptance by the agency of a gift, grant, donation, or other consideration to be used as a salary supplement for an employee of the agency. The governing board of an institution of higher education shall adopt the conflict of interest provisions required by this subsection in the same manner as the board adopts other policies applicable to the institution. The agency shall post the conflict of interest provisions on the agency's Internet website.

Explanation: The change is necessary to clarify the application of the provisions to institutions of higher education.

(3) Senate Rules 12.03(1) and (3) are suspended to permit the committee to change, alter, or amend text and to add text on a matter not in disagreement by adding the following to Section 659.0201(d)(1), Government Code, in SECTION 1 of the bill: "unless the person has made a request to the entity to remain anonymous".

Explanation: The change is necessary to maintain the anonymity of certain donors.

(4) Senate Rule 12.03(4) is suspended to permit the committee to add text on matters not included in either the house or senate version of the bill by adding the following to Section 659.0201, Government Code, in SECTION 1 of the bill:

(e) A state agency that receives a gift, grant, donation, or other consideration described by Subsection (d) shall compile the information the agency receives under Subsection (d) into a report and submit the report to the state auditor and the legislature.

(f) Information provided to an institution of higher education under Subsection (d) is confidential and is not subject to disclosure under Chapter 552.

(g) The state auditor may review the report submitted under Subsection (e) to identify any conflicts of interest or any other areas of risk. The state auditor shall report the results of an audit performed under this section to the legislature.

Explanation: The change is necessary to enable the state auditor and legislature to be informed about gifts, grants, donations, or other consideration received by state agencies and monitor any conflicts of interest that might result from accepting a gift, grant, donation, or other consideration and to maintain the confidentiality of information provided by an institution of higher education.

(5) Senate Rules 12.03(1) and (3) are suspended to permit the committee to change, alter, or amend text and to add text on a matter not in disagreement by adding the following to Section 659.0201(h), Government Code, in SECTION 1 of the bill: "that does not release of information that identifies an anonymous donor".

Explanation: The change is necessary to maintain the anonymity of certain donors.

(6) Senate Rule 12.03(1) is suspended to permit the committee to change, alter, or amend text not in disagreement by adding "officer" to Section 659.026(a)(2)(A), Government Code, in SECTION 1 of the bill.

Explanation: The change is necessary to clarify the positions included in the meaning of executive staff.

(7) Senate Rule 12.03(1) is suspended to permit the committee to change, alter, or amend text not in disagreement by adding "Paragraph (A)" to Section 659.026(a)(2)(B), Government Code, in SECTION 1 of the bill.

Explanation: The change is necessary to correct a cross-reference.

SR 1080 was read and was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 12 ADOPTED**

Senator Zaffirini called from the President's table the Conference Committee Report on **HB 12**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Zaffirini, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1092

Senator Hinojosa offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 3793 (powers, duties, and services of entities serving counties and county residents) 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 which is not included in either the house or senate version of the bill by adding the following new SECTION to the bill:

SECTION 2. Section 533.0354, Health and Safety Code, is amended by adding Subsections (a-1), (a-2), and (b-1) to read as follows:

(a-1) In addition to the services required under Subsection (a) and using money appropriated for that purpose or money received under the Texas Health Care Transformation and Quality Improvement Program 1115 waiver, a local mental health authority may ensure, to the extent feasible, the provision of assessment services, crisis services, and intensive and comprehensive services using disease management practices for children with serious emotional, behavioral, or mental disturbance not described by Subsection (a) and adults with severe mental illness who are experiencing significant functional impairment due to a mental health disorder not described by Subsection (a) that is defined by the Diagnostic and Statistical Manual of Mental Disorders, 5th Edition (DSM-5), including:

(1) major depressive disorder, including single episode or recurrent major depressive disorder;

(2) post-traumatic stress disorder;

(3) schizoaffective disorder, including bipolar and depressive types;

(4) obsessive compulsive disorder;

(5) anxiety disorder;

(6) attention deficit disorder;

(7) delusional disorder;

(8) bulimia nervosa, anorexia nervosa, or other eating disorders not otherwise specified; or

(9) any other diagnosed mental health disorder.

(a-2) The local mental health authority shall ensure that individuals described by Subsection (a-1) are engaged with treatment services in a clinically appropriate manner.

(b-1) The department shall each local mental health authority to incorporate jail diversion strategies into the authority's disease management practices to reduce the involvement of the criminal justice system in managing adults with the following disorders as defined by the Diagnostic and Statistical Manual of Mental Disorders, 5th Edition (DSM-5), who are not described by Subsection (b):

- (1) post-traumatic stress disorder;
- (2) schizoaffective disorder, including bipolar and depressive types;
- (3) anxiety disorder; or
- (4) delusional disorder.

Explanation: The addition is necessary to allow certain entities to provide certain mental health services to certain county residents.

(2) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following provision to SECTION 8 of the bill:

(b) Section 533.0354, Health and Safety Code, as amended by this Act, takes effect January 1, 2014.

Explanation: This addition to the effective date provision of the bill is necessary to reflect the change made by the addition of SECTION 2 to the bill.

SR 1092 was read and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3793 ADOPTED

Senator Hinojosa called from the President's table the Conference Committee Report on **HB 3793**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Hinojosa, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1090

Senator Nichols offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 2741 (the regulation of motor vehicles by counties and the Texas Department of Motor Vehicles; authorizing a fee; creating an offense) 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 proposed SECTION 104 to the bill, amending Section 622.012(b), Transportation Code, to read as follows:

SECTION 104. Section 622.012(b), Transportation Code, is amended to read as follows:

(b) A truck may be operated at a weight that exceeds the maximum single axle or tandem axle weight limitation by not more than 10 percent if the gross weight is not heavier than 69,000 pounds and the department has issued a permit that authorizes the operation of the vehicle under Section 623.0171.

Explanation: The addition of text is necessary to ready-mixed concrete trucks with three axles to be permitted to operate at certain weight.

(2) 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 proposed SECTION 108 to the bill, amending Sections 623.012(a) and (b), Transportation Code, to read as follows:

SECTION 108. Sections 623.012(a) and (b), Transportation Code, are amended to read as follows:

(a) An applicant for a permit under Section 623.011, other than a permit under that section to operate a vehicle loaded with timber or pulp wood, wood chips, cotton, or agricultural products in their natural state, and an applicant for a permit under Section 623.321 shall file with the department:

(1) a blanket bond; or

(2) an irrevocable letter of credit issued by a financial institution the deposits of which are guaranteed by the Federal Deposit Insurance Corporation.

(b) The bond or letter of credit must:

(1) be in the amount of \$15,000 payable to the Texas Department of Transportation and the counties of this state;

(2) be conditioned that the applicant will pay the Texas Department of Transportation for any damage to a state highway, and a county for any damage to a road or bridge of the county, caused by the operation of the vehicle;

(A) for which the permit is issued at a heavier weight than the maximum weights authorized by Subchapter B of Chapter 621 or Section 621.301 or 623.321; or

(B) that is in violation of Section 623.323; and

(3) provide that the issuer is to notify the Texas Department of Transportation and the applicant in writing promptly after a payment is made by the issuer on the bond or letter of credit.

Explanation: The addition of text is necessary to a person to file a bond or letter of credit to obtain a permit to operate a vehicle or combination of vehicles to transport unrefined timber, wood chips, or woody biomass in certain counties.

(3) 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 proposed SECTION 110 to the bill, adding Section 623.0171, Transportation Code, to read as follows:

SECTION 110. Subchapter B, Chapter 623, Transportation Code, is amended by adding Section 623.0171 to read as follows:

Sec. 623.0171. PERMIT FOR READY-MIXED CONCRETE TRUCKS. (a) In this section, "ready-mixed concrete truck" has the meaning assigned by Section 622.011.

(b) The department may issue a permit that authorizes the operation of a ready-mixed concrete truck with three axles.

(c) To qualify for a permit under this section, a base permit fee of \$1,000 must be paid, except as provided by Subsection (g).

(d) A permit issued under this section:

(1) is valid for one year, except as provided by Subsection (g); and

(2) must be carried in the vehicle for which it is issued.

(e) When the department issues a permit under this section, the department shall issue a sticker to be placed on the front windshield of the vehicle above the inspection certificate issued to the vehicle. The department shall design the form of the sticker to aid in the enforcement of weight limits for vehicles.

(f) The sticker must:

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

(2) be removed from the vehicle when:

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

(B) a lease of the vehicle expires; or

(C) the vehicle is sold.

(g) The department may issue a permit under this section that is valid for a period of less than one year. The department shall prorate the applicable fee required by Subsection (c) for a permit issued under this subsection as necessary to reflect the term of the permit.

(h) Unless otherwise provided by state or federal law, a county or municipality may not a permit, fee, or license for the operation of a ready-mixed concrete truck in addition to a permit, fee, or license required by state law.

(i) Section 622.015 does not apply to an owner of a ready-mixed concrete truck who holds a permit under this section for the truck.

(j) Unless otherwise provided by state or federal law, a ready-mixed concrete truck may operate on a state, county, or municipal road, including a load-zoned county road or a frontage road adjacent to a federal interstate highway, if the truck displays a sticker required by Subsection (e) and does not exceed the maximum gross weight authorized under Section 622.012.

(k) For the purposes of Subsection (l), the department by rule shall an applicant to designate in the permit application the counties in which the applicant intends to operate.

(l) Of the fee collected under this section for a permit:

(1) 50 percent of the amount collected shall be deposited to the credit of the state highway fund; and

(2) the other 50 percent shall be divided among and distributed to the counties designated in permit applications under Subsection (k) according to department rule.

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

Explanation: The addition of text is necessary to provide for a permitting process to authorize the operation of a ready-mixed concrete truck with three axles.

(4) 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 proposed SECTION 119 to the bill, adding Subchapter Q, Chapter 623, Transportation Code, to read as follows:

SECTION 119. Chapter 623, Transportation Code, is amended by adding Subchapter Q to read as follows:

SUBCHAPTER Q. VEHICLES TRANSPORTING TIMBER

Sec. 623.321. PERMIT. (a) The department may issue a permit under this subchapter, as an alternative to a permit issued under Section 623.011, authorizing a person to operate a vehicle or combination of vehicles that is being used to transport unrefined timber, wood chips, or woody biomass in a county identified as a timber producing county in the most recent edition of the Texas A&M Forest Service's Harvest Trends Report as of May 15, 2013, at the weight limits prescribed by Subsection (b).

(b) A person may operate over a road or highway a vehicle or combination of vehicles issued a permit under this section at a gross weight that is not heavier than 84,000 pounds, if the gross load carried on any tandem axle of the vehicle or combination of vehicles does not exceed 44,000 pounds.

(c) Section 621.508 does not apply to a vehicle or combination of vehicles operated under this section.

(d) The department shall annually update the number of timber producing counties described by Subsection (a) based on the most recent edition of the Texas A&M Forest Service's Harvest Trends Report.

Sec. 623.322. QUALIFICATION; REQUIREMENTS. (a) To qualify for a permit under this subchapter for a vehicle or combination of vehicles, a person must:

(1) pay a permit fee of \$1,500;

(2) designate in the permit application the timber producing counties described by Section 623.321(a) in which the vehicle or combination of vehicles will be operated; and

(3) satisfy the security requirement of Section 623.012.

(b) A permit issued under this subchapter:

(1) is valid for one year; and

(2) must be carried in the vehicle for which it is issued.

Sec. 623.323. NOTIFICATION. (a) For purposes of this section, "financially responsible party" means the owner of the vehicle or combination of vehicles, the party operating the vehicle or combination of vehicles, or a person that hires, leases, rents, or subcontracts the vehicle or combination of vehicles for use on a road maintained by a county or a state highway.

(b) Before a vehicle or combination of vehicles for which a permit is issued under this subchapter may be operated on a road maintained by a county or a state highway, the financially responsible party shall execute a notification document and agree to reimburse the county or the state, as applicable, for damage to a road or highway sustained as a consequence of the transportation authorized by the permit. At a minimum, the notification document must include:

(1) the name and address of the financially responsible party;

(2) a description of each permit issued for the vehicle or combination of vehicles;

(3) a description of the method of compliance by the financially responsible party with Sections 601.051 and 623.012;

(4) the address or location of the geographic area in which the financially responsible party wishes to operate a vehicle or combination of vehicles and a designation of the specific route of travel anticipated by the financially responsible party, including the name or number of each road maintained by a county or state highway;

(5) a calendar or schedule of duration that includes the days and hours of operation during which the financially responsible party reasonably anticipates using the county road or state highway identified in Subdivision (4); and

(6) a list of each vehicle or combination of vehicles by license plate number or other registration information, and a description of the means by which financial responsibility is established for each vehicle or combination of vehicles if each vehicle or combination of vehicles is not covered by a single insurance policy, surety bond, deposit, or other means of financial assurance.

(c) A financially responsible party shall electronically file the notification document described by Subsection (b) with the department under rules adopted by the department not later than the second business day before the first business day listed by the financially responsible party under Subsection (b)(5). The department shall immediately send an electronic copy of the notification document to each county identified in the notification document and the Texas Department of Transportation and an electronic receipt for the notification document to the financially responsible party. Not later than the first business day listed by the financially responsible party under Subsection (b)(5), a county or the Texas Department of Transportation may inspect a road or highway identified in the notification document. If an inspection is conducted under this subsection, a county or the Texas Department of Transportation shall:

(1) document the condition of the roads or highways and take photographs of the roads or highways as necessary to establish a baseline for any subsequent assessment of damage sustained by the financially responsible party's use of the roads or highways; and

(2) provide a copy of the documentation to the financially responsible party.

(d) If an inspection has been conducted under Subsection (c), a county or the Texas Department of Transportation, as applicable, shall, not later than the fifth business day after the expiration of the calendar or schedule of duration described by Subsection (b)(5):

(1) conduct an inspection described by Subsection (c)(1) to determine any damage sustained by the financially responsible party's use of the roads or highways; and

(2) provide a copy of the inspection documentation to the financially responsible party.

(e) The state or a county required to be notified under this section may assert a claim against any security posted under Section 623.012 or insurance filed under Section 643.103 for damage to a road or highway sustained as a consequence of the transportation authorized by the permit.

(f) This section does not apply to a vehicle or combination of vehicles that are being used to transport unrefined timber, wood chips, or woody biomass from:

(1) a storage yard to the place of first processing; or

(2) outside this state to a place of first processing in this state.

Sec. 623.324. DISPOSITION OF FEE. (a) Of the fee collected under Section 623.322 for a permit:

(1) 50 percent of the amount collected shall be deposited to the credit of the state highway fund; and

(2) the other 50 percent shall be divided equally among all counties designated in the permit application under Section 623.322(a)(2).

(b) At least once each fiscal year, the comptroller shall send the amount due each county under Subsection (a) 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. 623.325. INTERSTATE AND DEFENSE HIGHWAYS. (a) This subchapter does not authorize the operation on the national system of interstate and defense highways in this state of a vehicle of a size or weight greater than those permitted under 23 U.S.C. Section 127.

(b) If the United States authorizes the operation on the national system of interstate and defense highways of a vehicle of a size or weight greater than those permitted under 23 U.S.C. Section 127 on September 1, 2013, the new limit automatically takes effect on the national system of interstate and defense highways in this state.

Explanation: The addition of text is necessary to provide for a permitting process to authorize a person to operate a vehicle or combination of vehicles to transport unrefined timber, wood chips, or woody biomass in certain counties.

(5) 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 in proposed SECTION 140(2) of the bill by adding Sections 622.013, 622.017, and 622.018, Transportation Code, to the list of repealed sections in the bill:

(2) Sections 502.252(b), 503.009(b), 503.029(b), 503.030(b), 503.066(b), 520.008, 520.009, 520.0091, 520.0092, 622.013, 622.017, 622.018, 623.0711(k), and 623.093(f), Transportation Code;

Explanation: The addition of text is necessary to eliminate a surety bond requirement applicable to owners of ready-mixed concrete trucks and penalties related to the requirement.

SR 1090 was read and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2741 ADOPTED

Senator Nichols called from the President's table the Conference Committee Report on **HB 2741**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Nichols, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1079

Senator Van de Putte offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 1158 (relating to higher education for veterans and their families) 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 matters which are not included in either the house or senate version of the bill in SECTION 1 of the bill by amending Sections 54.341(d), (h), and (l), Education Code, to read as follows:

(d) The governing board of each institution of higher education granting an exemption under this section shall each applicant claiming the exemption to submit to the institution, in the form and manner prescribed by the Texas Veterans Commission for purposes of this section under Section 434.0079(b), Government Code, an application for the exemption and necessary ~~[satisfactory]~~ evidence that the applicant qualifies for the exemption not later than the last class date of the semester or term to which the exemption applies, except that the governing board may encourage the submission of an application and evidence by the official day of record for the semester or term to which the exemption applies on which the institution must determine the enrollment that is reported to the Texas Higher Education Coordinating Board ~~[one year after the earlier of the date the institution:~~

~~(1) provides written notice to the applicant of the applicant's eligibility for the exemption; or~~

~~(2) receives a written acknowledgement from the applicant evidencing the applicant's awareness of the applicant's eligibility for the exemption].~~

(h) The governing board of each institution of higher education shall electronically report to the Texas Veterans Commission ~~[Higher Education Coordinating Board]~~ the information required by Section 434.00791, Government Code, ~~[61.0516]~~ relating to each individual receiving an exemption from fees and charges under Subsection (a), (a-2), ~~[or]~~ (b), or (k). The institution shall report the information not later than January 31 ~~[December 31]~~ of each year for the fall semester, June 30 ~~[May 31]~~ of each year for the spring semester, and September 30 of each year for the summer session.

(l) To be eligible to receive an exemption under Subsection (k), the child must:

(1) be a student who is classified as a resident under Subchapter B when the child enrolls in an institution of higher education; ~~[and]~~

(2) as a graduate or undergraduate student, maintain a grade point average that satisfies the grade point average requirement for making ~~[make]~~ satisfactory academic progress in a degree, certificate, or continuing education program as determined by the institution at which the child is enrolled in accordance with the institution's policy regarding eligibility for ~~[of the institution's]~~ financial aid; and

(3) be 25 years of age or younger on the first day of the semester or other academic term for which the exemption is claimed ~~[department, except that the institution may not the child to enroll in a minimum course load].~~

Explanation: These changes are necessary to clarify the reporting and eligibility requirements for certain tuition exemptions awarded to veterans and their families.

(2) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill in SECTION 2 of the bill by adding Section 54.3411(e), Education Code, to read as follows:

(e) The amount available for distribution from the fund may be appropriated only to offset the cost to institutions of higher education of the exemptions required by Section 54.341(k). The amount appropriated shall be distributed to eligible institutions in proportion to each institution's respective share of the aggregate cost to all institutions of the exemptions required by Section 54.341(k), as determined by the Legislative Budget Board. The amount appropriated shall be distributed annually to each eligible institution of higher education.

Explanation: This change is necessary to clarify the distribution of funds for certain tuition exemptions awarded to children of veterans.

(3) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill in SECTION 3 of the bill by adding Section 434.0079(c), Government Code, to read as follows:

(c) The commission shall adopt rules governing the coordination of federal and state benefits of a person eligible to receive an exemption under Section 54.341(k), Education Code, including rules governing:

(1) the total number of credit hours assigned under that section that a person may apply to an individual degree or certificate program, consistent with the standards of the appropriate recognized regional accrediting agency; and

(2) the application of the assigned exemption to credit hours for which the institution of higher education does not receive state funding.

Explanation: This change is necessary to rules to be adopted for the administration of certain tuition exemptions awarded to veterans and their families.

SR 1079 was read and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1158 ADOPTED

Senator Van de Putte called from the President's table the Conference Committee Report on **SB 1158**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Van de Putte, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Sunday, May 26, 2013 - 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 ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 7 (143 Yeas, 4 Nays, 2 Present, not voting)

HB 489 (140 Yeas, 5 Nays, 1 Present, not voting)

HB 1025 (110 Yeas, 29 Nays)

HB 3153 (146 Yeas, 0 Nays, 2 Present, not voting)

HB 3361 (125 Yeas, 19 Nays, 2 Present, not voting)

HB 3459 (120 Yeas, 27 Nays, 2 Present, not voting)

SB 1 (118 Yeas, 29 Nays)

SB 460 (97 Yeas, 35 Nays, 1 Present, not voting)

SB 484 (92 Yeas, 53 Nays, 3 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

MOTION TO SUSPEND SENATE RULE 12.09(a)
(Printing and Notice of Conference Committee Reports)

Senator Hegar moved to suspend Senate Rule 12.09(a) as it relates to the Conference Committee Report on **HB 500**.

Senator Hegar withdrew the motion to suspend Senate Rule 12.09(a). Further consideration of **HB 500** was temporarily postponed.

SENATE RULE 12.09(a) SUSPENDED
(Printing and Notice of Conference Committee Reports)

Senator Nichols moved to suspend Senate Rule 12.09(a) as it relates to the Conference Committee Report on **SB 211**.

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

CONFERENCE COMMITTEE REPORT ON
SENATE BILL 211 ADOPTED

Senator Nichols called from the President's table the Conference Committee Report on **SB 211**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

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 211** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Watson: Senator Nichols, thank you very much for working with me on this bill. I think you'll agree and as you laid it out, it was pretty clear you agree. We worked pretty hard to find a solution where local communities would have a voice and a role to play in determining how state land around them is developed without violating state sovereignty, and as I, as you said, I think we achieved that with this Conference Committee Report by taking existing language in the Natural Resources Code that lays out how the General Land Office deals with local zoning and applying those provisions to public-private partnerships. There are a couple things I indicated I'd like to clear up for legislative intent. Are you aware that in implementing this language, the land office treats it as a requirement that it attempt to comply with local zoning ordinances in the development of state property for nongovernmental purposes?

Senator Nichols: Yes. So, what we're talking about the, I did know that the General Land Office puts the zoning in and there's an appeal process, I believe, that's in place.

Senator Watson: That's exactly right. And would you say that your intent with this bill that the facilities commission and other state agencies follow the substantially same process in developing state property through public-private partnerships as the General Land Office does, and that's why we're mirroring that language?

Senator Nichols: Yes. The Senate created a special subcommittee chaired by Eltife, which I discussed, on P3s, we studied this and reached the conclusion that that's how it should be handled.

Senator Watson: And another thing that you stated in your layout, which I think is important, is the clarity of intent in both the GLO language and now in the facilities commission language. It's important to note that the language of the GLO statute state, and now it'll apply to the facilities commission, states that the purpose of the development plan that will comply with local zoning is, and I'm going to quote, to conserve and enhance the value of real property belonging to the state taking into consideration the preservation of the health, safety, and general welfare of the communities in which the real property is situated. And as you indicated, and I think correctly, that means the Legislature's intent is pretty clear about its desire for the creation of a plan that complies with the needs of the local community. Senator Nichols, would you say that in this bill's requirements for local notification and public hearings about public-private partnership projects, it's clearly the Legislature's intent that local communities be intimately aware of the details of public-private partnership projects and—

Senator Nichols: Absolutely.

Senator Watson: —that the Legislature is saying that those communities have a role to play in helping determine how state property will be developed.

Senator Nichols: Absolutely.

Senator Watson: And, finally, can you envision a scenario in which the facilities commission would decide it wanted to develop a piece of state property—

Presiding Officer: Senator Whitmire, what—

Senator Whitmire: Excuse me. You know, we got two Senators having a serious conversation, could we ask people to retire to a conference room—

Presiding Officer: Can we have a little order on the Senate floor?

Senator Whitmire: —I mean, you know.

Presiding Officer: Thank you, Senator Whitmire.

Senator Watson: Thank you, Dean.

Senator Nichols: Would you ask the question again?

Senator Watson: Yes, I'd be happy to. Can you envision a scenario—

Senator Whitmire: Mr. President. Would you ask the Sergeant—

Presiding Officer: Members on the floor, would you just at least take your conversation outside the rail? Thank you. Thank you, Senator Whitmire. Senator Watson, continue. Please continue.

Senator Watson: Thank you. Senator, can you envision a scenario in which the facilities commission would decide it wanted to develop a piece of state property through a public-private partnership but decided it didn't need a development plan or could do so without a development plan on the property associated with the project?

Senator Nichols: No, Senator, I can't. We're speaking pretty clearly here, and as I noted the intent in this statute, it is to conserve and enhance the value of real property belonging to the state, taking into consideration the preservation of the health, safety, and general welfare, the communities in which real property in statutes. So, the goal is best served as we've discussed.

Senator Watson: Right. Thank you. Now under this bill we change how the facilities commission operates under government codes Chapter 2267 and 2268 regarding public-private partnerships for development purposes. Can you explain how that process works under this Conference Committee Report?

Senator Nichols: Yes, Sir. Under this bill, the Partnership Advisory Commission is required to approve or disapprove each proposal submitted under the P3 Act. Members, you may recall this is an 11-member body that was created in the P3 Act last session. While the Senate changed the makeup of that commission from 11 down to five, in Senate Bill 11, the Conference Committee Report retains the current structure of 11 members. The requirement to approve or disapprove each project, that's the advisory commission, approve or disapprove each project, is in the bill. We make the Partnership Advisory Commission's meetings subject to the Open Meetings Act. We also improved the facility commission's review guidelines and policies in Section 13 to the bill by ensuring the criteria they review a P3 proposal includes the extent to which it meets public need and the extent to which it meets design guidelines, zoning requirements in Capitol Complex plan. For projects in the Capitol Complex, the committee report requires the State Preservation Board to review each

P3 proposal. State Preservation Board can vote to disapprove a proposal in Section 33. In Section 12 of the report, the Conference Committee Report specifies P3 proposals can only be used in the Capitol Complex if the Legislature by general law specifically authorizes the project and the Legislature individually approves a project under Section 2268.05(a). What we require with that language is for each P3 proposal in the Capitol Complex to be authorized by a piece of legislation. It's somewhat similar to what we do for transportation projects. For instance, earlier in the session I had the bill on our, this is the way we did CDAs, the Legislature approved each individual project. So, it's our intent with this bill that no P3 project can be developed on the complex without individual and specific legislative authority.

Senator Watson: Senator Nichols, how will information on P3 proposals be made available to the public under this bill?

Senator Nichols: In Section 13 we that before a comprehensive agreement can be entered into, the facilities commission must post their review report and evaluation documents. We ensure the public has an opportunity to see what proposals are being considered before they are authorized. Additionally, the facilities commission would be required to hold a public hearing before submitting a proposal to the Partnership Advisory Commission for review, that's on page 12. And, again, if the Partnership Advisory Commission disapproves a proposal, it cannot move forward.

Senator Watson: What happens if a proposal is submitted to the facilities commission when the Legislature's not in session?

Senator Nichols: Under this bill, a comprehensive agreement could not be signed by the facilities commission until after the Legislature reconvene and pass the bill approving the specific project. The project could not move forward just by submitting the proposal to the facilities commission. In reviewing the process, step one, the proposal is submitted to the facilities commission for initial consideration, that's existing law. Two, State Preservation Board may disapprove the project, Section 33. Third step is the Partnership Advisory Commission votes to approve or disapprove the project, that's in Section 36. And the last step is the Legislature considers and passes a bill authorizing individual project.

SENATE RESOLUTION 1089

Senator Nichols offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 1675 (the sunset review process and certain governmental entities subject to that process) to consider and take action on the following matter:

(1) Senate Rule 12.03(4) is suspended to permit the committee to add text on matters not included in either the house or senate version of the bill by adding the following to SECTION 1.03 of the bill:

(c) If a conflict exists between this Act and another Act of the 83rd Legislature, Regular Session, 2013, that amends Section 2152.002, Government Code, to extend the sunset date of the Texas Facilities Commission, this Act controls without regard to the relative dates of enactment.

Explanation: This addition is necessary to ensure that the sunset review date for the Texas facilities commission in the bill controls over any other bill amending that date.

(2) Senate Rule 12.03(4) is suspended to permit the committee to add text on matters not included in either the house or senate version of the bill by adding the following:

SECTION 2.02. EMPLOYEES RETIREMENT SYSTEM OF TEXAS. Subchapter A, Chapter 815, Government Code, is amended by adding Section 815.005 to read as follows:

Sec. 815.005. SUNSET PROVISION. The board of trustees of the Employees Retirement System of Texas is subject to review under Chapter 325 (Texas Sunset Act), but is not abolished under that chapter. The board shall be reviewed during the period in which state agencies abolished in 2017, and every 12th year after that year, are reviewed.

SECTION 2.04. TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS. (a) Section 2306.022, Government Code, is amended to read as follows:

Sec. 2306.022. APPLICATION OF SUNSET ACT. The Texas Department of Housing and Community Affairs is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the department is abolished and this chapter expires September 1, 2017 [~~2013~~].

(b) The Sunset Advisory Commission shall limit its review of the Texas Department of Housing and Community Affairs in preparation for the work of the 85th Legislature in Regular Session to the appropriateness of recommendations made by the commission to the 83rd Legislature. In the commission's report to the 85th Legislature, the commission may include any recommendations it considers appropriate. This subsection expires September 1, 2017.

(c) This section takes effect only if the 83rd Legislature, Regular Session, 2013, does not enact other legislation that becomes law and that amends Section 2306.022, Government Code, to extend the sunset date of the Texas Department of Housing and Community Affairs. If the 83rd Legislature, Regular Session, 2013, enacts legislation of that kind, this section has no effect.

SECTION 2.05. RAILROAD COMMISSION OF TEXAS. Section 81.01001, Natural Resources Code, is amended to read as follows:

Sec. 81.01001. SUNSET PROVISION. (a) The Railroad Commission of Texas is subject to Chapter 325, Government Code (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished September 1, 2017 [~~2013~~].

(a-1) The review of the Railroad Commission of Texas by the Sunset Advisory Commission in preparation for the work of the 85th Legislature in Regular Session is not limited to the appropriateness of recommendations made by the Sunset Advisory Commission to the 83rd Legislature. In the Sunset Advisory Commission's report to the 85th Legislature, the Sunset Advisory Commission may include any recommendations it considers appropriate. The review must include an examination of alternative organizational structures for the Railroad Commission of Texas and alternative methods for performing the commission's responsibilities that would enable the efficient and effective accomplishment of the commission's functions. The

examination must include an assessment of existing state agencies that would be able to perform the commission's functions. The review must also include an examination of methods to increase the public's role in decisions of the Railroad Commission of Texas that relate to the effect of the growth of resource extraction. The Sunset Advisory Commission may contract for assistance in performing the review, including assistance in evaluating, auditing, and forensic auditing, as the Sunset Advisory Commission determines necessary. This subsection expires September 1, 2017.

(b) The Railroad Commission of Texas shall pay the costs incurred by the Sunset Advisory Commission in performing a review of the commission under this section. The Sunset Advisory Commission shall determine the costs, and the commission shall pay the amount of those costs promptly on receipt of a statement from the Sunset Advisory Commission detailing the costs.

ARTICLE 5. ENTITIES GIVEN 2025 SUNSET DATE

SECTION 5.01. STATE EMPLOYEE CHARITABLE CAMPAIGN POLICY COMMITTEE. (a) Section 659.140(i), Government Code, is amended to read as follows:

(i) The state employee charitable campaign policy committee is subject to the Texas Sunset Act. Unless continued in existence as provided by that chapter, the committee is abolished and [~~Government Code Chapter 659,~~] Subchapter I[~~7~~] and Sections 814.0095 and 814.0096 expire on September 1, 2025 [~~2013~~].

(b) This section takes effect only if the 83rd Legislature, Regular Session, 2013, does not enact other legislation that becomes law and that amends Section 659.140(i), Government Code, to extend the sunset date of the state employee charitable campaign policy committee. If the 83rd Legislature, Regular Session, 2013, enacts legislation of that kind, this section has no effect.

Explanation: This addition is necessary to change the sunset review date for various state agencies, to subject the board of trustees of the Employees Retirement System of Texas to sunset review, and to address the scope of the review of state agencies that were reviewed by the Sunset Advisory Commission in preparation for the work of the 83rd Legislature in Regular Session.

SR 1089 was read and was adopted by the following vote: Yeas 31, Nays 0.

SENATE RULE 12.09(a) SUSPENDED (Printing and Notice of Conference Committee Reports)

Senator Nichols moved to suspend Senate Rule 12.09(a) as it relates to the Conference Committee Report on **HB 1675**.

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

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1675 ADOPTED

Senator Nichols called from the President's table the Conference Committee Report on **HB 1675**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Nichols, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

BILLS AND RESOLUTIONS SIGNED

The Presiding Officer announced the signing of the following enrolled bills and resolutions in the presence of the Senate after the captions had been read:

HB 16, HB 26, HB 38, HB 78, HB 138, HB 195, HB 294, HB 316, HB 346, HB 349, HB 503, HB 555, HB 577, HB 581, HB 628, HB 796, HB 826, HB 1035, HB 1079, HB 1123, HB 1128, HB 1129, HB 1160, HB 1435, HB 1587, HB 1692, HB 1728, HB 1741, HB 1874, HB 1875, HB 1903, HB 1908, HB 1913, HB 1960, HB 1966, HB 2028, HB 2029, HB 2055, HB 2099, HB 2110, HB 2112, HB 2117, HB 2118, HB 2135, HB 2201, HB 2259, HB 2294, HB 2383, HB 2532, HB 2615, HB 2694, HB 2733, HB 3063, HB 3067, HB 3096, HB 3159, HB 3259, HB 3914, HCR 205, HCR 206, HCR 207, HB 31, HB 437, HB 595, HB 658, HB 697, HB 742, HB 950, HB 1023, HB 1125, HB 1127, HB 1223, HB 1324, HB 1479, HB 1606, HB 1632, HB 1659, HB 1734, HB 1751, HB 1864, HB 2062, HB 2204, HB 2422, HB 2590, HB 2620, HB 2645, HB 2862, HB 2895, HB 3028, HB 3209, HB 3422, HB 3578, HB 3593, HB 3860, HB 3871, HB 3954, HCR 209.

RECESS

On motion of Senator Whitmire, the Senate at 8:19 p.m. recessed until 8:45 p.m. today.

AFTER RECESS

The Senate met at 9:10 p.m. and was called to order by Senator Eltife.

SENATE RESOLUTION 1084

Senator Estes offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 912 (images captured by unmanned aircraft and other images and recordings; providing penalties) to consider and take action on the following matters:

(1) Senate Rule 12.03(1) is suspended to permit the committee to change text not in disagreement in proposed SECTION 2 of the bill, in added Section 423.002(a), Government Code, to read as follows:

(a) It is lawful to capture an image by an unmanned aircraft in this state:

Explanation: This change is necessary to address grammatical and other inconsistencies created by senate amendments to this section.

(2) Senate Rules 12.03(1) and (2) are suspended to permit the committee to change and omit text not in disagreement in proposed SECTION 2 of the bill, in added Section 423.002(a)(4), Government Code, to read as follows:

(4) by a satellite for the purposes of mapping;

Explanation: This change is necessary to delete unnecessary text.

(3) Senate Rule 12.03(2) is suspended to permit the committee to omit text not in disagreement in proposed SECTION 2 of the bill, in added Section 423.002(a), Government Code, by omitting proposed Subdivisions (5) and (6), which read as follows:

(5) by a manufacturer or distributor of the unmanned vehicle or unmanned aircraft in connection with the development, manufacture, testing, or research of the vehicle or the aircraft;

(6) by a manufacturer or distributor incidental to the activities authorized under Subdivision (5) and the manufacturer or distributor discloses the image voluntarily to law enforcement because the manufacturer or distributor reasonably believes the image shows the commission of an offense;

Explanation: The omission of the text is necessary to remove exceptions to the application of the chapter.

(4) Senate Rule 12.03(2) is suspended to permit the committee to omit text not in disagreement in proposed SECTION 2 of the bill, in added Section 423.003(a), Government Code, by omitting proposed Subdivision (2), which reads as follows:

(2) real property in this state, on which a primary or secondary school or a licensed child-care facility is operated or an individual located on that property, with the intent to conduct surveillance

Explanation: This change is necessary to remove an offense.

(5) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or the senate version of the bill by adding the following text to SECTION 2 of the bill:

Sec. 423.008. REPORTING BY LAW ENFORCEMENT AGENCY. (a) No earlier than January 1 and no later than January 15 of each odd-numbered year, a municipal or county law enforcement agency located in a city or county with a population greater than 150,000, or a state law enforcement agency, that used or operated an unmanned aircraft during the preceding 24 months shall issue a written report to each member of the Texas Legislature, including the Governor and Lieutenant Governor, retain the report for public viewing and post the report on the law enforcement agency's publicly accessible website, if one exists. The report shall contain:

(a) the number of times an unmanned aircraft was operated, organized by date, time, location, types of incidents, and the types of justification for operation;

(b) the number of criminal investigations aided by the operation of an unmanned aircraft and a description of how the unmanned aircraft aided each investigation;

(c) the date, location, and number of times an unmanned aircraft was operated for reasons other than a criminal investigation and a description of how the unmanned aircraft aided each operation;

(d) the frequency and type of information collected on an individual, residence, property or area that was not the subject of an operation; and

(e) the total cost of acquisition, maintenance, repair, and operation the unmanned aircraft or unmanned aircrafts for the preceding 24 months.

Explanation: This addition is necessary to provide for a publicly available report regarding law enforcement use of unmanned aircraft in this state.

SR 1084 was read and was adopted by the following vote: Yeas 26, Nays 5.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Ellis, Eltife, Estes, Fraser, Hancock, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Duncan, Garcia, Hegar, Rodríguez, Uresti.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 912 ADOPTED

Senator Estes called from the President's table the Conference Committee Report on **HB 912**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Estes, the Conference Committee Report was adopted by the following vote: Yeas 26, Nays 5.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Ellis, Eltife, Estes, Fraser, Hancock, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Duncan, Garcia, Hegar, Rodríguez, Uresti.

REMARKS ORDERED PRINTED

On motion of Senator Rodríguez and by unanimous consent, the remarks by Senators Estes and Rodríguez regarding **SR 1084** as it relates to **HB 912** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Rodríguez: Senator Estes, you and I talked about this bill, and I raised some concerns with you, so I'd like to kind of ask you some questions about it—

Senator Estes: Sure.

Senator Rodríguez: —so that we can, see if we can clarify some of the provisions in here. As we all know, this, as you said, this is the drone bill, and this is a bill that actually would permit the use of drones to take images of either people or private property. And the bill lays out a number of exceptions. I counted 19 in there. And these exceptions would allow the drones to actually take images. And the one exception that I have a concern about is in Section 423.002, and I wanted to ask you some questions about that one.

Senator Estes: It's—

Senator Rodríguez: In—

Senator Estes: —exemption 14, isn't that right, in the list—

Senator Rodríguez: —yes—

Senator Estes: —14?

Senator Rodríguez: —yes, Sir.

Senator Estes: Yes, Sir. I'm familiar with it.

Senator Rodríguez: And so, the first question I have is do the exceptions listed there in, just globally, in Section 423.002, apply to anyone, including a private individual who has access to drones or similar devices?

Senator Estes: Senator Rodriguez, this was a good catch. We did not catch this. I believe 14, exemption number 14 says that drones can be used within a 25-mile section of the border. Our legislative intent was to have law enforcement be able to

use drones. Private individuals were not, but that's what the bill says. And so, what I would like to commit to you is that I agree with you that private individuals should have no more recourse to go over people's private land with drones 25 miles from the border than any other place in the state. So, what I would like to do, at this late date it's impossible to change it, but I will commit to you that we will work with, there's, there's rule-making authority with the DPS in this bill—

Senator Rodríguez: Yes.

Senator Estes: —we'll work with that. I'll even go so far as to say if there's a special session after this, we will address, that we'll ask the Governor to put this on the call, to address this one fix that we missed, actually. And so, either special session or with the rule-making authority, or the next session, should the good voters return us, I think that that's something that needs to be addressed. I would address it immediately, right now, but we're just out of time.

Senator Rodríguez: Senator Estes, I appreciate that, and the reason for that is as, as you and I acknowledge that in the way that subsection or Section 14 is written, it would allow drones in private property, and including taking images of individuals without their consent if you live within 25 miles—

Senator Estes: Yeah.

Senator Rodríguez: —of the, of the border.

Senator Estes: That definitely was not my intention, so I really appreciate you bringing this up, and you have my word that I will work on that to correct it.

Senator Rodríguez: And the second concern that I have is that, the way it's written could allow individuals, private individuals, the Minutemen, or others to use their drones to conduct surveillance in the border because of their concerns about immigrants. And we've seen a lot of that in the press over the number of years here that the issue has come up. We know that the federal government and that even the state, that through DPS, uses drones to conduct surveillance for immigration purposes along the border. And that's not what we're talking about here. The concern here is that that Section 14 exemption would allow private individuals to do that. And so, I understand, then, that your intention is that was not what was contemplated in that provision.

Senator Estes: And that's correct, Senator, and I, excuse me, really do thank you for bringing that up. We just missed that.

Senator Rodríguez: Alright.

Senator Estes: Thank you.

Senator Rodríguez: And then, as you pointed out, you indicate, and I've checked the bill, it does have a provision for regulations and rules to be adopted to implement the bill, and you're suggesting that through that process, we might be able to address some of these concerns that I've raised here today.

Senator Estes: I think there's a good chance we would be able to, and I'd be willing to do that, to—

Senator Rodríguez: Thank you.

Senator Estes: –work on it with you.

Senator Rodríguez: Thank you, Senator. I appreciate that.

(President in Chair)

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 2 ADOPTED**

Senator Patrick called from the President's table the Conference Committee Report on **SB 2**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Patrick, the Conference Committee Report was adopted by the following vote: Yeas 28, Nays 3.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Ellis, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Patrick, Paxton, Schwertner, Seliger, Taylor, Uresti, Van de Putte, Watson, West, Whitmire, Williams, Zaffirini.

Nays: Garcia, Nichols, Rodríguez.

REMARKS ORDERED PRINTED

On motion of Senator Patrick and by unanimous consent, his remarks regarding legislative intent on **SB 2** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Members, the legislative intent on Senate Bill 2 is that the State Board of Education still has total authority to vet and interview charter applicants before the SBOE decides to approve or veto a charter. Under our bill, they have the last say after the commissioner approves charters. So, the legislative intent is they have the authority to vet and interview applicants before they make their final decision.

SENATE RESOLUTION 1093

Senator Uresti offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 1747 (funding and donations for transportation projects, including projects of county energy transportation reinvestment zones) to consider and take action on the following matters:

(1) Senate Rule 12.03(1) is suspended to permit the committee to change, alter, or amend text not in disagreement in proposed SECTION 1 of the bill, in added Section 256.104(a)(1), Transportation Code, to read as follows:

(1) provide the road condition report described by Section 251.018 made by the county for the previous year; and

Explanation: The change is necessary to counties applying for grants under Subchapter C, Chapter 256, Transportation Code, to submit only the county's road condition report for the previous year.

(2) Senate Rule 12.03(1) is suspended to permit the committee to change, alter, or amend text not in disagreement in proposed SECTION 1 of the bill, in added Section 256.105, Transportation Code, to read as follows:

Sec. 256.105. MATCHING FUNDS. (a) Except as provided by Subsection (b), to be eligible to receive a grant under the program, matching funds must be provided, from any source, in an amount equal to at least 20 percent of the amount of the grant.

(b) A county that the department determines to be economically disadvantaged must provide matching funds in an amount equal to at least 10 percent of the amount of the grant.

(c) County funds spent for road and bridge purposes under the county budget must be credited as matching funds under this section.

Explanation: The change is necessary to counties applying for grants under Subchapter C, Chapter 256, Transportation Code, to provide matching funds in certain amounts.

(3) Senate Rule 12.03(1) is suspended to permit the committee to change, alter, or amend text not in disagreement in proposed SECTION 1 of the bill, in added Section 256.106(a)(1), Transportation Code, to read as follows:

(1) provide the department with a copy of a report filed under Section 251.018;

Explanation: The change is necessary to a county making a second or subsequent grant application under Subchapter C, Chapter 256, Transportation Code, to provide a report under Section 251.018, Transportation Code.

(4) Senate Rule 12.03(1) is suspended to permit the committee to change, alter, or amend text not in disagreement in proposed SECTION 2 of the bill, in added Section 222.1071(b), Transportation Code, to read as follows:

(b) A county, after determining that an area is affected because of oil and gas exploration and production activities and would benefit from funding under Chapter 256, by order or resolution of the commissioners court:

(1) may designate a contiguous geographic area in the jurisdiction of the county to be a county energy transportation reinvestment zone to promote one or more transportation infrastructure projects, as that term is defined by Section 256.101, located in the zone; and

(2) may jointly administer a county energy transportation reinvestment zone with a contiguous county energy transportation reinvestment zone formed by another county.

Explanation: The change is necessary to provide that counties must determine that an area is affected because of oil and gas exploration before designating a county energy transportation reinvestment zone.

(5) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text to SECTION 2 of the bill, in added Section 222.1071(i), Transportation Code:

(5) pledge money in the tax increment account to a road utility district formed as provided by Subsection (n).

Explanation: This addition is necessary to authorize a county to pledge money in the tax increment account to a road utility district.

(6) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text to SECTION 2 of the bill, in added Section 222.1071, Transportation Code:

(n) In the alternative, to assist the county in developing a transportation infrastructure project, if authorized by the commission under Chapter 441, a road utility district may be formed under that chapter that has the same boundaries as a county energy transportation reinvestment zone created under this section. The road utility district may issue bonds to pay all or part of the cost of a transportation infrastructure project and may pledge and assign all or a specified amount of money in the tax increment account to secure those bonds if the county:

(1) collects a tax increment; and

(2) pledges all or a specified amount of the tax increment to the road utility district.

(o) A road utility district formed as provided by Subsection (n) may enter into an agreement to fund development of a transportation infrastructure project or to repay funds owed to the department. Any amount paid for this purpose is considered to be an operating expense of the district. Any taxes collected by the district that are not paid for this purpose may be used for any district purpose.

Explanation: This addition is necessary to authorize the formation of a road utility district to assist a county in developing a transportation infrastructure project.

(7) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text as SECTION 7 of the bill:

SECTION 7. The amendment adding Sections 222.1071 and 222.1072 to Subchapter E, Chapter 222, Transportation Code, made by this Act prevails over the amendment adding those sections to Subchapter E, Chapter 222, Transportation Code, made by Section 1, H.B. 2300, 83rd Legislature, Regular Session, 2013, and the amendment made by Section 1, H.B. 2300, 83rd Legislature, Regular Session, 2013, has no effect.

Explanation: This addition is necessary to provide that the amendment adding Sections 222.1071 and 222.1072, Transportation Code, prevails over other amendments made by the 83rd Legislature adding those sections.

SR 1093 was read and was adopted by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE REPORT ON
SENATE BILL 1747 ADOPTED**

Senator Uresti called from the President's table the Conference Committee Report on **SB 1747**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Uresti, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE CONCURRENT RESOLUTION 45

The President laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 1747 has been adopted by the senate and the house of representatives and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 83rd Legislature of the State of Texas, That the enrolling clerk of the senate be instructed to correct Senate Bill No. 1747 in SECTION 1 of the bill by striking added Section 256.105(c), Transportation Code.

URESTI

SCR 45 was read.

On motion of Senator Uresti, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

SENATE CONCURRENT RESOLUTION 39

The President laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 1116 has been adopted by the house of representatives and the senate; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 83rd Legislature of the State of Texas, That the enrolling clerk of the senate be instructed to make the following corrections:

(1) In SECTION 4 of the bill as added by item (8) of House Floor Amendment No. 1 by Kuempel, on page 25, line 10 of the amendment, strike "East" and substitute "West".

(2) In SECTION 4 of the bill as added by item (8) of House Floor Amendment No. 1 by Kuempel, on page 25, line 13 of the amendment, strike "East" and substitute "West".

ZAFFIRINI

SCR 39 was read.

On motion of Senator Zaffirini, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1081

Senator Patrick offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 83rd Legislature, Regular Session, 2013, 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 House Bill 5 (public school accountability, including assessment, and curriculum requirements; providing a criminal penalty) to consider and take action on the following matters:

(1) Senate Rule 12.03(1) is suspended to permit the committee to amend text not in disagreement in SECTION 13 of the bill, in amended Section 28.0212(a), Education Code, to read as follows:

(a) A principal of a junior high or middle school shall designate a school ~~[guidance]~~ counselor, teacher, or other appropriate individual to develop and administer a personal graduation plan for each student enrolled in the [a] junior high or [s] middle[~~, or high~~] school who:

(1) does not perform satisfactorily on an assessment instrument administered under Subchapter B, Chapter 39; or

(2) is not likely to receive a high school diploma before the fifth school year following the student's enrollment in grade level nine, as determined by the district.

Explanation: The change is necessary to conform to other references to school counselor in the Education Code.

(2) Senate Rule 12.03(3) is suspended to permit the committee to add text on a matter not in disagreement in SECTION 14 of the bill, in added Section 28.02121(b), Education Code, to read as follows:

(b) A school district shall publish the information provided to the district under Subsection (a) on the Internet website of the district and ensure that the information is available to students in grades nine and above and the parents or legal guardians of those students in the language in which the parents or legal guardians are most proficient. A district is required to provide information under this subsection in the language in which the parents or legal guardians are most proficient only if at least 20 students in a grade level primarily speak that language.

Explanation: The change is necessary to establish procedures for providing information to parents or legal guardians of students in the language in which the parent or legal guardian is most proficient.

(3) Senate Rule 12.03(1) is suspended to permit the committee to change text not in disagreement in SECTION 14 of the bill, in added Section 28.02121(c), Education Code, to read as follows:

(c) A principal of a high school shall designate a school counselor or school administrator to review personal graduation plan options with each student entering grade nine together with that student's parent or guardian. The personal graduation plan options reviewed must include the distinguished level of achievement described by Section 28.025(b-15) and the endorsements described by Section 28.025(c-1). Before the conclusion of the school year, the student and the student's parent or guardian must confirm and sign a personal graduation plan for the student.

Explanation: The change is necessary to conform to other references to school counselor in the Education Code.

(4) 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 the following text in SECTION 16 of the bill, in amended Section 28.025, Education Code, to read as follows:

(c-3) In adopting rules under Subsection (c-1), the State Board of Education shall adopt criteria to allow a student participating in the arts and humanities endorsement under Subsection (c-1)(4), with the written permission of the student's parent or a person standing in parental relation to the student, to comply with the curriculum requirements for science required under Subsection (c-2)(1)(B) by substituting for an advanced course requirement a course related to that endorsement.

Explanation: The addition is necessary to parental permission to substitute certain curriculum requirements.

(5) 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 the following text in SECTION 16 of the bill, in amended Section 28.025, Education Code, to read as follows:

(h-2) This subsection applies only to a student participating in the minimum, recommended, or advanced high school program who is completing the fourth year of high school during the 2013-2014 school year. The commissioner by rule shall permit a student who does not satisfy the curriculum requirements of the high school program in which the student is participating to graduate if the student satisfies the curriculum requirements established for the foundation high school program under this section as amended by H.B. No. 5, 83rd Legislature, Regular Session, 2013, and any other requirement required for graduation. This subsection expires September 1, 2015.

Explanation: The addition is necessary to provide flexibility in implementation of changes to curriculum requirements.

(6) Senate Rules 12.03(1) and (3) are suspended to permit the committee to change and add text on a matter not in disagreement in SECTION 16 of the bill to read as follows:

(b) Except as provided by Subsection (c) of this section, this section applies beginning with the 2014-2015 school year.

(c) Section 28.025(h-2), Education Code, as added by this section, applies during the 2013-2014 school year.

Explanation: The change is necessary to provide flexibility in implementation of changes to curriculum requirements.

(7) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text to SECTION 20 of the bill, in amended Section 29.081, Education Code, to read as follows:

(d) For purposes of this section, "student at risk of dropping out of school" includes each student who is under 26 [~~24~~] years of age and who:

(1) was not advanced from one grade level to the next for one or more school years;

(2) if the student is in grade 7, 8, 9, 10, 11, or 12, did not maintain an average equivalent to 70 on a scale of 100 in two or more subjects in the foundation curriculum during a semester in the preceding or current school year or is not maintaining such an average in two or more subjects in the foundation curriculum in the current semester;

(3) did not perform satisfactorily on an assessment instrument administered to the student under Subchapter B, Chapter 39, and who has not in the previous or current school year subsequently performed on that instrument or another appropriate instrument at a level equal to at least 110 percent of the level of satisfactory performance on that instrument;

(4) if the student is in prekindergarten, kindergarten, or grade 1, 2, or 3, did not perform satisfactorily on a readiness test or assessment instrument administered during the current school year;

(5) is pregnant or is a parent;

(6) has been placed in an alternative education program in accordance with Section 37.006 during the preceding or current school year;

(7) has been expelled in accordance with Section 37.007 during the preceding or current school year;

(8) is currently on parole, probation, deferred prosecution, or other conditional release;

(9) was previously reported through the Public Education Information Management System (PEIMS) to have dropped out of school;

(10) is a student of limited English proficiency, as defined by Section 29.052;

(11) is in the custody or care of the Department of Protective and Regulatory Services or has, during the current school year, been referred to the department by a school official, officer of the juvenile court, or law enforcement official;

(12) is homeless, as defined by 42 U.S.C. Section 11302, and its subsequent amendments; or

(13) resided in the preceding school year or resides in the current school year in a residential placement facility in the district, including a detention facility, substance abuse treatment facility, emergency shelter, psychiatric hospital, halfway house, or foster group home.

Explanation: This addition is necessary to expand the definition of "student at risk of dropping out of school" to include a student who is at least 21 years of age and under 26 years of age.

(8) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text to SECTION 31 of the bill, in amended Section 39.023, Education Code, to read as follows:

(a-2) Except as required by federal law, a [A] student is not required to be assessed in a subject otherwise assessed at the student's grade level under Subsection (a) if the student:

(1) is enrolled in a course in the subject intended for students above the student's grade level and will be administered an assessment instrument adopted or developed under Subsection (a) that aligns with the curriculum for the course in which the student is enrolled; or

(2) is enrolled in a course in the subject for which the student will receive high school academic credit and will be administered an end-of-course assessment instrument adopted under Subsection (c) for the course.

Explanation: This addition is necessary to ensure compliance with federal law.

(9) Senate Rule 12.03(2) is suspended to permit the committee to omit text not in disagreement in amended Section 39.025, Education Code, which reads as follows:

(a-2) This subsection applies only to a student who, before entering the ninth grade in the 2011-2012 or 2012-2013 school year, completed a course before the 2011-2012 school year in a subject for which the student received high school credit and for which an end-of-course assessment instrument under Section 39.023 is required during the 2013-2014 school year or a later school year, such as Algebra I. The commissioner shall determine a method by which a student's satisfactory performance on an end-of-course assessment instrument for a course in the same general subject area in which the student is enrolled during or after the ninth grade, such as geometry, shall be used to satisfy the requirements for the end-of-course assessment instrument for the course completed before entering the ninth grade and before the 2011-2012 school year. The commissioner shall adopt rules as necessary for the administration of this section. This subsection expires September 1, 2016 [In addition to the cumulative score requirements under Subsection (a), a student must achieve a score that meets or exceeds the score determined by the commissioner under Section 39.0241(a) for English III and Algebra II end-of-course assessment instruments to graduate under the recommended high school program].

Explanation: This omission of text is necessary to provide flexibility in implementation of changes to end-of-course assessment instrument requirements.

(10) Senate Rule 12.03(1) is suspended to permit the committee to change text not in disagreement in SECTION 40 of the bill, in added Section 39.038, Education Code, to read as follows:

Sec. 39.038. RESTRICTION ON APPOINTMENTS TO ADVISORY COMMITTEES. The commissioner may not appoint a person to a committee or panel that advises the commissioner or agency regarding state accountability systems under this title or the content or administration of an assessment instrument if the person is retained or employed by an assessment instrument vendor.

Explanation: The change is necessary to allow persons reimbursed by an assessment instrument vendor to be appointed to a committee or panel described by Section 39.038, Education Code.

(11) Senate Rule 12.03(1) is suspended to permit the committee to change text not in disagreement in SECTION 51 of the bill, in added Section 39.0824(a), Education Code, to read as follows:

(a) A school district or open-enrollment charter school assigned the lowest rating under Section 39.082 shall submit to the commissioner a corrective action plan to address the financial weaknesses of the district or school. A corrective action plan must identify the specific areas of financial weaknesses, such as financial weaknesses in transportation, curriculum, or teacher development, and include strategies for improvement.

Explanation: The change is necessary to conform to financial accountability rating references.

(12) Senate Rules 12.03(1) and (3) are suspended to permit the committee to change and add text on a matter not in disagreement in SECTION 56 of the bill, in amended Section 39.235(b), Education Code, to read as follows:

(b) Before awarding a grant under this section, the commissioner may a campus or school district to:

- (1) obtain local matching funds; or
- (2) meet other conditions, including developing a personal graduation plan under Section 28.0212 or 28.02121, as applicable, for each student enrolled at the campus or in a district middle, junior high, or high school.

Explanation: The change is necessary to conform to appropriately reference a high school personal graduation plan.

(13) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by adding the following text to SECTION 77 of the bill, in amended Section 130.008, Education Code, to read as follows:

(f) A student described by Subsection (a) may enroll in not more than three courses each school year offered as provided by this section.

Explanation: The change is necessary to establish a limit on the number of dual enrollment courses a student may enroll in each school year.

(14) Senate Rule 12.03(3) is suspended to permit the committee to add text on a matter which is not in disagreement by adding text in SECTIONS 78(a)(1) and (5) of the bill to read as follows:

(a) Effective September 1, 2013, the following sections of the Education Code are repealed:

- (1) Sections 29.190(b), (d), and (e);
- (2) Sections 39.024(b), (c), (d), (e), (f), (g), and (h);
- (3) Section 39.0241(a-2);
- (4) Section 39.0242;
- (5) Sections 39.025(a-2) and (a-3); and
- (6) Section 130.008(d-1).

Explanation: The changes are necessary to repeal:

- (1) Section 29.190(d), a provision granting the commissioner of education authority to adopt rules to implement the existing law; and
- (2) Section 39.025(a-2), a provision relating to Algebra II and English III end-of-course assessment instruments.

(15) Senate Rules 12.03(1) and (3) are suspended to permit the committee to change and add text on a matter not in disagreement in SECTIONS 79(b) and (c) of the bill to read as follows:

(b) Students who have entered the ninth grade during or after the 2011-2012 school year and before the 2013-2014 school year may be administered only those end-of-course assessment instruments that would have been administered to those students under Section 39.025, Education Code, as amended by Section 35 of this Act, and Section 39.025, Education Code, as amended by Section 35 of this Act, is continued in effect for purposes of satisfying those end-of-course testing requirements.

(c) The commissioner of education may by rule adopt a transition plan to implement the amendments made by this Act relating to end-of-course testing requirements during the 2013-2014 and 2014-2015 school years.

Explanation: The change is necessary to provide flexibility in implementation of changes to end-of-course assessment instrument requirements.

(16) Senate Rule 12.03(1) is suspended to permit the committee to change text not in disagreement in SECTION 80 of the bill to read as follows:

SECTION 80. Not later than October 1, 2013, the commissioner of education shall adopt rules to administer Section 39.025(a-1), Education Code, as amended by this Act.

Explanation: The change is necessary to omit a reference to adopting rules to administer amended Section 39.025(a-2), Education Code, which the committee omitted.

(17) Senate Rule 12.03(1) is suspended to permit the committee to change text not in disagreement in SECTION 84 of the bill to read as follows:

SECTION 84. Except as otherwise provided by this Act:

(1) 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; and

(2) if this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Explanation: The change is necessary to clarify the effective dates of the bill.

SR 1081 was read and was adopted by the following vote: Yeas 31, Nays 0.

REMARKS ORDERED PRINTED

On motion of Senator Patrick and by unanimous consent, the remarks regarding **SR 1081** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator Van de Putte: Thank you, Mr. President, and thank you, Chairman Patrick. First, I really want to commend you and the entire body for the work that you've done pulling back on the high stakes nature of the end-of-course exams but also making sure that there is rigor in the curriculum. There are a few things that I wanted to get clear because in this Senate Resolution we really outline the transition that happens going from the graduation plans and the curriculum that is currently in place to what we have envisioned. So, I want to just ask a few questions, just to make sure that we understand this. Regarding the class of 2015, so it's this year's sophomore class, even though the districts are not required to implement the foundation endorsement diplomas until 2014 and 15, those that are able may do so now, and if they do, then this class of 2015 may go ahead next year and take the classes consistent with the new diploma plan and endorsements?

Senator Patrick: Yes.

Senator Van de Putte: And for students in the class of 2015 who took Algebra I before an end-of-course exam was available, these are, we had some eighth graders that took Algebra I before the EOC was available.

Senator Patrick: Sure.

Senator Van de Putte: And they have already taken Geometry and, in fact, they've already taken Algebra II EOCs this year and passed. Would they need to go back and take Algebra I end-of–

Senator Patrick: No.

Senator Van de Putte: –course exams? That's great for those eighth graders that wanted to start early.

Senator Patrick: Correct.

Senator Van de Putte: And since House Bill 5 is modifying the English end-of-course exam so that one assessment will include both the reading and the writing as a single exam, will the students who have failed only the writing exam currently have to retake the, an EOC, the writing test?

Senator Patrick: No, it is the legislative intent, and I will ask to have our remarks recorded to the Journal as we conclude, that is not the intent and the intent of the Legislature is for the commissioner to grant a waiver.

Senator Van de Putte: Thank you very much, Chairman Patrick. I know that we have had many parents that have children in this transition–

Senator Patrick: Yes.

Senator Van de Putte: –and they are so worried that they will be caught in something and it would be an unintended consequence.

Senator Patrick: Yes.

Senator Van de Putte: I think in your timing and with the, certainly with the commissioner, we're able to quell any fears that they have that these sets of students would be required to do more than what we are requiring under this new plan. Thank you–

Senator Patrick: Right.

Senator Van de Putte: –very much.

Senator Patrick: Thank you.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 5 ADOPTED

Senator Patrick called from the President's table the Conference Committee Report on **HB 5**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Patrick, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

REMARKS ORDERED PRINTED

On motion of Senator Patrick and by unanimous consent, the remarks by Senator Lucio regarding **HB 5** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Thank you, Mr. President. Members, in the last 26 years, I need to say that of all the public education bills that I have seen go before the body in the House and Senate, this is truly one of the most important ones that I have had a chance to work with, and in this case, directly with our Chairman, having a bird's eye view of his actions and his leadership on this important committee. But I rise to support the Senate passage of House Bill 5, to congratulate the Members of the conference committee, to congratulate the Members of the public education committee, Senator Van de Putte, West, Duncan, Seliger, Campbell, Taylor, Paxton, the Chairman, and myself. It's been a pleasure working with all of you on this particular bill, especially. When we as a Legislature first instituted the current high school testing regime several years ago, we did so with the best intentions. We wanted to ensure that students left Texas public high schools fully equipped to enter postsecondary education. Texas has not stepped back from that commitment. However, we needed, this session, to take a hard look at whether we were honoring that commitment under a current testing regime. I was privileged to serve as Vice-chairman of the Senate Committee on Education this session and in committee we heard from parents, students, and teachers from across the state about the effect our high stakes testing regime had had on students. It was quite an experience. We heard from teachers that teaching to an exam interferes with their lesson planning. We heard from thousands of students unable to pass one or more end-of-course exams and putting their dreams of graduating and going to college at risk. Even for those that passed all exams, we heard about students having their chances at getting into the college of their choice hampered by the requirement that an end-of-course exam count as 15 percent of their final grade. And we heard about students fearing the exams and dreading going to school. Taken together, we couldn't help but conclude the elements of our current regime were putting unnecessary obstacles in the way of our students achieving their goals of going to college. Surely, something needed to be done. For these reasons, I was proud to sign on as a joint author to Senate Bill 3 and Senate Bill 1724, this Chamber's bills to revamp our testing and graduating plan requirements. I'm happy to see that elements of these bills have made it into House Bill 5. I was then, and I am now, convinced that we are not retreating from the academic rigor, but instead we are forging a plan that will ensure our students are college and career ready, while also not overburdening our teachers with teaching into a high stakes test in almost every core subject. It was already laid out by Chairman Patrick, Members, under this plan, students would take an end-of-course exams in critical subjects, Algebra I, English I and II, Biology, and U.S. History. School districts can additionally choose to use Algebra II and English III. I thank the Members of the Chamber and the Members of the

House for standing firm on keeping down the number of high stakes tests. I also want to thank Lieutenant Governor David Dewhurst for supporting a reduction in testing. This decision took real courage, Members. All session we heard from dissenting voices that said, quote, If we don't a high stakes test, students won't learn the material and teachers won't teach it. I disagree. I have more faith in our Texas teachers than that. We, as a Legislature, set high curriculum standards. Under this bill, we set high standards in our course requirements for high school graduation. Students must still choose a degree plan which includes four courses in English language arts, four math, and four science, as well as two foreign languages. Under the bill, students have greater options when it comes to taking advance math and science courses. As many of you know, I have for years been an advocate for effective counseling in Texas public schools. I appreciate that this bill requires graduation planning, and, even more importantly, this bill requires graduation, requires that students by default are put into a graduation plan that will put them on the path toward postsecondary education. The series of endorsements students may take under House Bill 5 gives students greater ownership over their own academic career and lets them choose their own path toward postsecondary education or the workforce. At the end of the day, Mr. President and Members, I believe the goal of the Legislature should be to ensure that every child in Texas has the resources they need to get the best education available and forge their own path in life. Certainly, no bill is perfect, but I think House Bill 5 serves to achieve this goal. For this reason, I congratulate Chairman Patrick, the Members of the conference committee for their hard work, and join them in supporting this bill. Thank you very much for this opportunity, and I hope that we can continue to make a difference to the children of our state in the years to come. Thank you, Senator.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Sunday, May 26, 2013 - 5

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 ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 5 (147 Yeas, 0 Nays, 1 Present, not voting)

HB 6 (143 Yeas, 4 Nays, 1 Present, not voting)

HB 3447 (114 Yeas, 26 Nays, 6 Present, not voting)

HB 3569 (147 Yeas, 0 Nays, 1 Present, not voting)

HB 3648 (146 Yeas, 0 Nays, 1 Present, not voting)

HB 3793 (113 Yeas, 26 Nays, 2 Present, not voting)

SB 2 (105 Yeas, 41 Nays, 1 Present, not voting)

SB 1596 (147 Yeas, 1 Nays, 1 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

SENATE CONCURRENT RESOLUTION 42

The President laid before the Senate the following resolution:

WHEREAS, Senate Bill No. 217 has been adopted by the senate and the house of representatives; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 83rd Legislature of the State of Texas, That the enrolling clerk of the senate be instructed to make the following corrections:

(1) In SECTION 12 of the bill, in amended Section 659.148(b), Government Code, between "campaign expenses" and "to the participating", insert "in an amount authorized by the state policy committee".

(2) In SECTION 12 of the bill, in added Section 659.148(b-1), Government Code, between "necessary fee" and "in the same manner", insert "in an amount authorized by the state policy committee".

(3) In SECTION 12 of the bill, in amended Section 659.148(c), Government Code, strike "unless the state policy committee approves a higher amount to accommodate reasonable documented costs" and substitute "[unless the state policy committee approves a higher amount to accommodate reasonable documented costs]".

PATRICK

SCR 42 was read.

On motion of Senator Patrick, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

SENATE RULE 12.09(a) SUSPENDED (Printing and Notice of Conference Committee Reports)

Senator Hegar again moved to suspend Senate Rule 12.09(a) as it relates to the Conference Committee Report on **HB 500**.

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

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Uresti, Van de Putte, West, Whitmire, Williams, Zaffirini.

Nays: Ellis, Garcia, Rodríguez, Watson.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 500 ADOPTED**

Senator Hegar called from the President's table the Conference Committee Report on **HB 500**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Hegar, the Conference Committee Report was adopted by the following vote: Yeas 27, Nays 4.

Yeas: Birdwell, Campbell, Carona, Davis, Deuell, Duncan, Eltife, Estes, Fraser, Hancock, Hegar, Hinojosa, Huffman, Lucio, Nelson, Nichols, Patrick, Paxton, Schwertner, Seliger, Taylor, Uresti, Van de Putte, West, Whitmire, Williams, Zaffirini.

Nays: Ellis, Garcia, Rodríguez, Watson.

**CONFERENCE COMMITTEE REPORT ON
HOUSE BILL 2836 ADOPTED**

Senator Patrick called from the President's table the Conference Committee Report on **HB 2836**. The Conference Committee Report was filed with the Senate on Saturday, May 25, 2013.

On motion of Senator Patrick, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

Austin, Texas

Sunday, May 26, 2013 - 6

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 ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 12 (143 Yeas, 0 Nays, 2 Present, not voting)

HB 29 (147 Yeas, 0 Nays, 1 Present, not voting)

HB 912 (140 Yeas, 4 Nays, 2 Present, not voting)

SB 7 (146 Yeas, 1 Nays, 1 Present, not voting)

SB 8 (105 Yeas, 38 Nays, 1 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk
House of Representatives

PERSONAL PRIVILEGE STATEMENT ORDERED PRINTED

The personal privilege statement by Senator Williams was ordered printed in the *Senate Journal* as follows:

Mr. President and Members, one of the most influential men in my life passed away this morning, and I want to share some memories of Jay Brouthers. Jay was born to a lower middle-class Jewish family in Cleveland, Ohio, 86 years ago. Jay played minor league baseball in the Cleveland Indians organization and continued his lifelong passion for sports until becoming incapacitated later in life. He joined the United States Coast Guard after graduating from high school and later graduated from Miami University, Ohio. He went on to build a remarkable business career, while also coaching high school basketball and teaching math, physics, and chemistry in Cleveland. During the 1960s civil rights era, Jay became a victim of what we would today call a hate crime when he was severely beaten by a group of youth. He ended up in the hospital for an extended stay. His injuries resulted in trauma-induced glaucoma, which would take away his eyesight later in life. Jay never uttered a harsh word or harbored an ounce of prejudice or ill will anywhere in his body. He affected the life of dozens and dozens of families as he developed one of the most successful insurance agencies in the country in a career topping 60 years. His business provided a decent, middle-class life for his employees and provided security for literally thousands of policyholders. He was friends with Ben Feldman, a prolific insurance salesman who set world-class records in the insurance business while at New York Life. Jay and Ben frequently traveled together to give motivational speeches and to talk about the integrity that one must possess to do his job well. Jay loved all sports, but he especially loved basketball and golf. While building his successful insurance company, Jay also started a sporting goods store in Cleveland that specialized in golf equipment. He married his college sweetheart, Carolyn, who later would develop a rare form of cancer. So devoted was he to Carolyn that he sold everything he had and moved to Houston where Carolyn could get treatment at MD Anderson. Eventually, she lost the battle. Our lives would intersect later when Jay married Marsha's mother, Betty. Jay became an integral and special part of our family. He loved his four sons and their families, and he loved Betty's four children and their families unconditionally. He also was known to all of the children, young and old, as Mister Santa Claus. It was a role that he relished playing. I worked with Jay for four and a half years after I left the public accounting profession. He taught me the art of salesmanship and had a big influence on my life. He was the person who recruited me into the financial services business, and we worked together until I left to start what is now Woodforest Financial Services. Jay is an example of what someone can do in this country if they set their mind to it. He had a number of successful businesses. He never let any misfortune set him back. He always made the best of any situation, and his life was an example for all of us. He was the kindest, the most generous person that I have ever known in my life.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolutions

SR 1086 by Davis, Birdwell, Hancock, and Nelson, In memory of Harvey Lavan "Van" Cliburn, Jr.

SR 1088 by Davis, In memory of Ruby Jo Halden.

Congratulatory Resolutions

SCR 46 by Hinojosa, Commending the City of Pharr, South Texas College, the Pharr Police Department, and the Pharr-San Juan-Alamo Independent School District for their collaborative efforts to develop the Regional Center for Public Safety Excellence.

SR 1077 by Uresti, Recognizing Berkeley Sol Capelo on the occasion of her high school graduation.

SR 1078 by Uresti, Recognizing Amanda Rios Arizpe for her achievements.

SR 1082 by Carona, Recognizing Russell Ramsland for his advocacy efforts.

SR 1083 by Carona, Recognizing Ken Emanuelson for his political activism.

SR 1087 by Davis, Recognizing the occasion of the groundbreaking at the Texas Rangers Miracle League Field in Southlake.

ADJOURNMENT

On motion of Senator Whitmire, the Senate at 10:38 p.m. adjourned, in memory of Rose Campbell Lancaster and Jay Brouthers, until 10:30 a.m. tomorrow.

APPENDIX

BILLS AND RESOLUTIONS ENROLLED

May 25, 2013

SB 59, SB 66, SB 146, SB 148, SB 1255, SR 1055, SR 1056, SR 1059, SR 1060, SR 1064, SR 1065, SR 1067, SR 1069, SR 1070, SR 1071, SR 1072

SENT TO GOVERNOR

May 26, 2013

SB 17, SB 123, SB 141, SB 209, SB 220, SB 247, SB 289, SB 351, SB 357, SB 369, SB 485, SB 495, SB 499, SB 503, SB 514, SB 553, SB 562, SB 605, SB 606, SB 628, SB 697, SB 701, SB 736, SB 893, SB 913, SB 939, SB 946, SB 948, SB 958, SB 976, SB 987, SB 1035, SB 1044, SB 1053, SB 1063, SB 1066, SB 1200, SB 1221, SB 1224, SB 1237, SB 1367, SB 1386, SB 1406, SB 1437, SB 1451,

SB 1459, SB 1475, SB 1484, SB 1542, SB 1556, SB 1567, SB 1672, SB 1705, SB 1759, SB 1769, SB 1803, SB 1812, SB 1821, SB 1832, SB 1835, SB 1838, SB 1841, SB 1846, SB 1861, SB 1864, SCR 36

