



# The Senate of the State of Texas

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Health and Human Services  
Nominations  
Transportation and Homeland Security  
Veterans Affairs & Military  
Installations - Vice Chair  
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## *Session in Review* *81st Legislative Session*

### *Passed:*

- **Tier One universities** - This groundbreaking legislation will pave the way for seven new top tier universities in Texas. Legislation created an emerging university fund that future Tier One schools will be able to pull from in five years. The legislation creates criteria through which schools qualify for that money, however, our amendments to level the playing field on PhDs and population did not make it.
- **State schools** - The Department of Justice had 13 state schools under investigation for abuse and neglect. During this session, SB 643, a significant reform bill, passed and \$200 million was put into hiring and training to start to address the DOJ settlement. Senator Shapleigh and Representative Abel Herrero had an amendment that required an independent audit of the resident-to-direct care staff ratio and the adequacy of training.
- **School finance reform** - H.B. 3646 reduces reliance on high-stakes tests at lower grades. The Legislature was able to use federal stimulus dollars to pass the best possible school finance legislation that could be fashioned with limited funding, making changes that will improve the way schools in Texas are funded and provide Texas teachers with a minimum \$800 pay raise. A provision in H.B. 3646 also includes a special allotment for student affected by BRAC in 2010 and 2011 should funding be available. This concept was first introduced in Senator Shapleigh's SB 196.
- **Expanded TEXAS Grants** - The TEXAS Grants program will receive an infusion of much needed funds. This was an important step in providing tuition relief to qualifying families.
- **Financial literacy** - SB 197 would require that regional Education Service Center (ESCs) offer training and assistance in providing instruction in personal financial literacy. HB 3646 included Senator Shapleigh's SB 199, which will provide for teacher training in financial literacy curriculum.



- **Small business tax relief** - HB 4765 will provide immediate tax relief for small businesses in Texas. This bill will exempt businesses that earn revenue up to \$1 million a year from paying the margins tax until December 31, 2011. Currently, businesses that earn up to \$300,000 are exempt from the margins tax. Although this bill will reduce revenue going into the Property Tax Relief Fund and will therefore require additional expenditures for that purpose from General Revenue, this important cut will provide a stimulus to many small Texas businesses.
- **Veterans property tax** - HB 3613 provides for a total exemption of property taxes for 100 percent disabled veterans.
- **Physician shortage** - SB 202 will allow qualified, out-of-state doctors to begin seeing patients while waiting for their licensure applications to be processed. HB 2154 will give doctors \$160,000 in loan repayment monies for serving in medically-underserved areas.
- **County ethics bill** - SB 1368 allows the county to establish an independent ethics commission that will adopt, publish and enforce an ethics code governing county public servants.
- **Storm water exemption** - SB 1522 exempts property owned by school districts. SB 874 exempts property owned by the county.
- **Budget** - On February 17, the American Recovery and Reinvestment Act (ARRA) passed through the federal government and sent \$15.2 billion to Texas for relief, education and economic development.

With the help of the ARRA, that state ended up with a \$182.3 billion budget:

- Increased funding for Texas GRANTS, community mental health centers, CPS workers, and business incentives to attract filmmakers and environmentally friendly business to Texas.
  - \$1.9 billion increase in public education
  - \$1.2 billion increase for higher education
  - \$2 billion in bonds for new roads
  - \$450 million in bonds for cancer research
  - \$208 million increase to help community centers for the mentally disabled
  - Included a one-time \$500 payment to retired teachers and state employees.
  - Approved \$182 million for the state's rail relocation and improvement fund.
  - The budget includes \$65 million in base budget and \$17 million for new faculty at the Texas Tech University Health Sciences Center Paul L. Foster School of Medicine.
- **Top ten percent** - The Legislature passed a compromise to tweak to the Top Ten Percent law only at UT-Austin. Top Ten Percent has resulted in greater diversity at Texas' institutions of higher education, along with students that have higher GPAs and graduate at higher rates than their peers. The problem is not with the Top Ten Percent law - it is with the lack of more Tier One universities.

- **Hospital confidentiality** - HB 4029 establishes that payment information is part of a patient's confidential health care information and not subject to release without patient authorization.
- **Combating cartels** - HB 2086 was amended with SB 11, a bill to curb gang activity in Texas and stop violent transnational drug cartels. The bill will help transform the Department of Public Safety, granting them new tools to identify, arrest and prosecute cartel leaders.
- **Stopping the spread of colonias** - HB 2833 stops the spread of colonias by ensuring that any new homes built in Texas counties will be held to the same high standard as the one used in incorporated areas of the state.
- **Climate change bill** - HB 3526 establishes an advisory committee on climate variability for the purpose of assisting the Texas Water Development Board with its duty of drafting a state water plan in 2012.
- **Reforming property tax appraisals** - HB 1030 mandates that Texas' largest counties - including El Paso - launch a program for electronic protests of property tax appraisals. HB 2317 will require a comprehensive training course for new appraisal review board members and continuing education for all members and encourages the board of directors of the appraisal district to select as chairman of the board someone who has a background in law and property appraisal.
- **Orphan trusts** - SB 666 creates a system to ensure that charitable foundations established in Texas remain in Texas by prohibiting a financial institution administering a charitable trust from changing the location of its administration to another state, unless otherwise authorized in the terms of a trust.
- **Boarding houses bill** - HB 216 amends the Health and Safety Code to give local governments the power to license and regulate homes for the disabled and elderly, which are currently unregulated under Texas law.
- **TWIA (Windstorm insurance)** - The Legislature was able to pass legislation to ensure the Texas Windstorm Insurance Association has enough funding through bonds and other mechanisms so that residents in 14 Gulf Coast counties will have protection heading into hurricane season.

**Failed:**

- **CHIP** - Bipartisan legislation would have created a buy-in program for children from working families. This legislation would have provided health insurance to 80,000 Texas children.
- **Unemployment insurance** - The legislature passed on \$500 million in federal dollars to provide a safety net for unemployed Texans. This will only result in an increase in taxes on Texas businesses.
- **Tuition relief** - Tuition rates at Texas universities have skyrocketed since deregulation in 2003. This session, no cap was placed on tuition rates.
- **Community college proportionality** - SB 41 as amended would have done away with "proportionality" in state funding for community colleges by allowing Texas community college employees whose salaries are not paid by the state to be eligible for state-funded health insurance
- **Transportation (TxDOT sunset)** - The Legislature failed to pass meaningful changes in state transportation policy this session. They failed to eliminate the trans Texas Corridor and failed to allow local governments the option of raising revenue for road and rail projects in local elections. The TxDOT sunset bill gave MPOs the power to create tax increment reinvestment zones for use in funding rail. The bill also would have created a rail division at TxDOT. The House's resolution to extend the date of the agency's expiration lacked authorization for TxDOT to issue \$2 billion of bonds, part of \$5 billion approved by voters in 2007 under Proposition 12.
- **Insurance reform (TDI sunset)** - Without reforms, Texas will continue to have the highest homeowner's premiums in the country.
- **Medicaid reforms (12 month applications)** - Annual Medicaid applications would have simplified the process for Texas families. Now a quarter million children will not get the medical attention they need.
- **Voter photo ID** - The House of Representatives killed this legislation, which would have resulted in the disenfranchisement of tens of thousands of low income, minority, elderly and disabled Texas voters.
- **Solar** - SB 545 would have allowed for a solar generation incentive program for residential and business customers; ensured that customers putting solar or other renewable energy on their property get paid a minimum fair market value should they generate surplus energy; provided net metering policies requiring customers to receive real time market price for exported energy; prevented residential homeowners associations from imposing arbitrary bans on solar technology on homes; mandated that municipally-owned utilities and electric

co-ops would have to report their own efforts to create solar rebate programs; authorizes the State Energy Conservation Office to establish a revolving loan program to help schools install solar energy systems; and required that home builders of new subdivisions with more than 50 homes offer the installation of solar energy devices as an option for new home buyers.

- **Trans fat prohibition** - SB 204 would have banned trans fat in Texas restaurants. Trans fats raise levels of LDL ("bad") cholesterol and lower levels of HDL ("good") cholesterol, which leads to clogged arteries and increases the risk of heart attack and stroke. Consumption of trans fat causes 72,000 to 228,000 heart attacks, including roughly 50,000 fatal ones, per year.
- **Tigua gaming** - The legislature failed to act of multiple pieces of legislation that would have allowed for casino and other gaming operations across the state, foregoing millions of dollars in revenue. In El Paso, reopening Tigua gaming would have had a tremendous positive economic impact on our region. The infusion of federal stimulus money into the state budget hurt efforts to prioritize gaming.
- **Predatory lending** - SB 244 would have made CSOs subject to interest rates set by the OCCC; SB 248 would have limited interest to 36 percent APR; SB 242 would have required the OCCC to establish a database to which all payday lenders must each week submit information on amount of loans made and rates charged for those loans; and SB 243 would have amended the state's Finance Code to prohibit CSOs from facilitating credit to consumers if they are affiliated with the lender, collect fees on behalf of the lender or receive an economic interest in the loan revenue, among other prohibitions.