



TEXAS LEGISLATIVE STUDY GROUP

An Official Caucus of the Texas House of Representatives

STEERING COMMITTEE

Chair, Rep. Garnet Coleman
 Co-Vice Chair, Rep. Yvonne Davis
 Co-Vice Chair, Senator Jose Rodriguez
 Co-Vice Chair, Rep. Ana Hernandez
 Treasurer, Rep. Armando Walle
 Secretary, Rep. Victoria Neave
 General Counsel, Rep. Lina Ortega
 Freshman Rep., Rep. Vikki Goodwin

Rep. Diego Bernal
 Rep. Abel Herrero
 Rep. Mando Martinez
 Rep. Eddie Rodriguez
 Rep. Toni Rose
 Sen. Jose Menendez
 Rep. Harold Dutton
 Rep. Chris Turner
 Rep. Rafael Anchia
 Rep. Jessica Farrar

Rep. Mary Gonzalez
 Rep. Gina Hinojosa
 Rep. Rhetta Bowers
 Rep. John Turner
 Rep. Ina Minjarez
 Rep. Sergio Munoz
 Rep. Carl Sherman
 Rep. Alex Dominguez
 Rep. Nicole Collier
 Rep. Julie Johnson

Representative:

Desk:

LSG Floor Report For Major State Calendar – Tuesday, April 2, 2019

<p>HB 1550 By: Paddie</p>	<p>Relating to certain governmental entities subject to the sunset review process.</p>	<p>State Affairs Vote: 11 Ayes, 0 Nays, 0 PNV, 2 Absent</p>	<p>HB 1550 would provide a two-year extension for 32 agencies subject to abolishment under the Texas Sunset Act following review during the 2019 sunset review cycle. The intent of HB 1550 is to protect against any unintended abolishment of an agency should the legislature fail to enact legislation extending an applicable agency. Without this safety bill, the legislature risks being forced into an unnecessary special session.</p>	<p>Favorable Evaluated by: Merci Mohagheghi (713) 382-7007 Merci@TexasLSG.org</p>
<p>HB 1442 By: Paddie</p>	<p>Relating to the continuation and functions of the Office of Consumer Credit Commissioner and the licensing and registration of persons regulated by that state agency.</p>	<p>Pensions, Investments & Financial Services Vote: 10 Ayes 0 Nays 0 PNV 1 Absent</p>	<p>HB 1442 is a sunset bill for the Finance Commission of Texas and pertaining to the bodies it regulates: Texas Department of Banking (TDB), Office of Consumer Credit Commissioner (OCCC) and Department of Savings and Mortgage Lending (DSML). There were about seven points of revision to the finance commission recommended by the Sunset Commission that would impact the regulation of these entities. All entities involved were requested to streamline complaints processes and clarify administrative procedure when engaging consumers and rendering penalties to violations to code for licensing.</p> <p>HB 1442 would abolish the DSML and its duties would be transferred to TDB, this wouldn't hinder the existing process because savings and mortgage lending are already handled by most banking entities that would report to the TDB on a consumer level. This would save the financial body \$1,388,994 per fiscal year by streamlining these two bodies. There would also be remission of administrative penalties to the General Revenue Fund overarching all financial entities mentioned. This has the potential to generate \$1,232,969 per fiscal year.</p> <p>HB 1442 also deregulates private child support enforcement agencies, cemetery brokers, and pawnshop employees. Sunset staff identified programs at these finance agencies where the regulation imposed by the state exceeded the level of regulation necessary to protect the public. There was some concern from the industry on the deregulation of pawnshop employees as this would leave the pawnshop entity as the responsible party for its employee's actions. There is a substitute that would make the license optional. The deregulation of these three bodies affects less than 7,300 individuals and businesses, so there would be a decrease in costs to the industry and revenue to the finance agencies. However, the decrease in revenue would be offset by an equal decrease in costs to administer the programs.</p> <p>HB 1442 directs the OCCC to establish a study to address alternatives to high-cost lending. The study would include availability and quality of such practices and alternatives. This would help shed light on predatory practices of the industry especially with marginalized populations. There is also language that would empower the commission to refuse renewal of license of a body or person due to non-compliance with industry standard or practice. This would offer protection to consumers from inefficient or unregulated practices.</p>	<p>Favorable Evaluated by: Elizabeth Churaman (281)-686-4544 elizabeth@texaslsg.org</p>

OK for Distribution – Rep. Garnet Coleman

			<p>HB 1442 also puts time limits on the OCCC to respond to complaints and hearing scheduling of violations, this will benefit consumers and employees with shortened response times or waiting periods in legal court.</p>	
<p>HB 1520 By: Thompson, Senfronia Flynn Lambert Paddie Nevárez</p>	<p>Relating to the continuation and functions of the Texas State Board of Public Accountancy.</p>	<p>Licensing & Administrative Procedures</p> <p>Vote: 10 Ayes 0 Nays 0 PNV 1 Absent</p>	<p>HB 1520 is the sunset bill for the Texas State Board of Public Accountancy. The Board that is responsible for regulating the practice of accountancy and ensure that Texas commerce and residents have qualified accountants and auditors. The board is currently oversees:</p> <ul style="list-style-type: none"> • Verifying the eligibility of prospective Certified Public Accountants (CPA) to take the CPA exam • Licensing individuals who have passed the CPA exam and meet all requirements in state law • Licensing firms that provide certain services according to nationally recognized standards • Investigating and resolving complaints and taking disciplinary actions within the field. <p>The bill would extended the State Board of Public Accountancy for 12 more years until 2031. The bill states the Board shall continue to serve as a self-directed semi-independent (SDSI) collecting fees from prospective CPA's, licensed CPA's, and firms while setting and retaining the fees collected. However, the sunset commission also recommended the Board adopt modifications in order for it to perform to its best capacities and represent the whole profession.</p> <p>The recommendations from the sunset commission which are included in the are:</p> <ul style="list-style-type: none"> • Require the board to see approval from the office of attorney general for all outside counsel contracts- currently, the board does not have the state oversight for outside counsel contracts • Direct the board to develop a solicitation process for contracts- Currently, the board does not seek outside hires, rather uses work-of-mouth recommendations • Require the board to conduct fingerprint-based criminal background checks-currently they only require it for new applicants while current license holders may disclose their criminal history if they choose to • Remove unnecessary licensure and continuing education provisions for non-CPA firm owners- currently. You don't need a license to be a firm owner but must continue to take all of the continuing education classes. • Direct the board to comply with statute directing rules for military service members and veterans- currently, the board does not have any rules to address considerations for military service members and veterans. • Direct the board to amend its peer review rules to account for risks to the public- currently, there is no peer review program to review the work of CPA firms that provide attest services. Instead they have a one size fits all approach. • Direct the board to develop rules on administrative costs assessed on respondents-Currently, there are no rules on how the board administers costs. • Adjust the board's composition to consist of 8 public members and 7 CPA's- this is for the public to be represented as well as the CPAs within the board and provide transparency. • Direct the board to revise its rules to facilitate public comment-currently the public needs to sign up 20 days before a meeting but the agenda for the meeting is posted 14 days before the meeting. People cannot sign up after that. • Continue the board for another 12 years 	<p>Favorable Evaluated by: Santiago Cirnigliaro (713) 435-9049 Santiago@TexasLSG.org</p>

OK for Distribution – Rep. Garnet Coleman



HB 1520 addresses every Sunset Commission recommendation by taking into account the sunset report and makes the respective changes in the occupations code. In addition, HB 1520 does not deviate from the Sunset Commission report and does not include any changes that were not included in the Sunset Commission report.

Through these changes, the Texas State Board of Public Accountancy would remain as the head board and also be able to add responsibility and guidelines for the board to follow. The provisions to the bill would also benefit the public when raising concerns to the board and would add guidelines as to how to raise those concerns.

LSG Floor Report For General State Calendar – Tuesday, April 2, 2019

<p>HB 1066 By: Ashby Larson</p>	<p>Relating to extensions of an expired permit for the transfer of groundwater from a groundwater conservation district.</p>	<p>Natural Resources</p> <p>Vote: 11 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>HB 1066 seeks to align the permitting renewal process for the transferring of groundwater out of a district with the operating permit renewal cycle. Adding subsections (j-1) which would extend an export permit on or before its expiration, to a term not shorter than the operating it would grant, and (j-2) which an extending permit will be subject to the same conditions contained in the permit issued before the extension.</p> <p>The bill would allow an export permit to be extended before it expires undermines the process of both a re-assessment period and a public hearing regarding the impact of any project that was previously permitted. It essentially escapes any public notice of renewal, and public involvement by taking away the amendment process, which happens when an export permit is being renewed.</p> <p>Environmental and rural communities would have liked to see this bill as prospective and not affect an existing groundwater permit until after the first renewal of the permit as they believe it is the fair and equitable way to proceed.</p>	<p>Favorable Evaluated by: Merci Mohagheghi (713) 382-7007 Merci@TexasLSG.org</p>
<p>HB 539 By: Leman Springer Nevárez Stucky Ashby</p>	<p>Relating to the automatic admission to general academic teaching institutions and eligibility for certain scholarships of a student who is the valedictorian of the student's high school graduating class.</p>	<p>Higher Education</p> <p>Vote: 10 Ayes, 0 Nays, 0 PNV, 1 Absent</p>	<p>Under current state law, state-funded universities are required to admit students that are in the Top 10% of their high school graduating class as an “automatic admission” student. There are at least 130 school districts in the state of Texas that have graduating class sizes that are less than 10 students total, making the valedictorian of those classes, and those 10 students, at risk of not being considered in automatic acceptance to all state-funded universities. The University of Texas at Austin has a Top 6% automatic admission requirement that is different from the Top 10% law, and the students from these small graduating classes sizes in Texas are at risk of not being accepted into schools like UT Austin.</p> <p>HB 539 amends the Education Code to allow for valedictorians to be guaranteed automatic admission into all state-funded universities, no matter the graduating high school class size. This is an important amendment to the Education Code because this distinguishes the non-auto admitted students from the automatically admitted students.</p>	<p>Favorable Evaluated by: Marissa Gorena (956) 867-7232 Marissa@TexasLSG.org</p>
<p>HB 27 By: Canales Hunter Zedler Moody Murr</p>	<p>Relating to increasing the criminal penalty for assault or aggravated assault of a federal law enforcement officer.</p>	<p>Criminal Jurisprudence</p> <p>Vote: 9 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>The intent of HB 27 is to extend what is already in place for many other public servants to be applied on a state level to federal officials. HB 27 would amend the Penal Code to increase punishment, from Class A misdemeanor to third degree felony, if a person commits an offense intentionally, knowingly, or recklessly to cause bodily injury against a federal law enforcement officer. It would also increase punishment for aggravated assault, from second degree felony to first degree felony, if the actor knows that the other person is a federal law enforcement officer while the officer is lawfully discharging an official duty.</p>	<p>Favorable Evaluated by: Merci Mohagheghi (713) 382-7007 Merci@TexasLSG.org</p>

OK for Distribution – Rep. Garret Coleman

<p>HB 1254 By: Murphy</p>	<p>Relating to the eligibility of land secured by a home equity loan to be designated for agricultural use for ad valorem tax purposes.</p>	<p>Ways & Means Vote: 9 Ayes, 0 Nays, 0 PNV, 2 Absent</p>	<p>Proposition 2 of (SJR 60 in the 2017 session) was approved by more than 60% voter support for the consideration of home equity lending on agricultural property. This bill would amend a portion of the tax code by striking Sec. 23.42. that currently conflicts with the voter approved constitutional amendment. This clarification will increase access to home equity loans and address uncertainty in the lending market. No significant fiscal impact anticipated.</p>	<p>Favorable Evaluated by: Eli Davis (713) 855-3285 Eli@TexasLSG.org</p>
<p>HB 1241 By: Bucy Cortez Klick Cain Moody</p>	<p>Relating to the content of a polling place location notice.</p>	<p>Elections Vote: 9 Ayes, 0 Nays, 0 PNV, 0 Absent</p>	<p>Currently, there is not a requirement for Counties to include addresses in the polling location notices. When the address is not included it makes it difficult for those who are new to the county to know where to vote. HB 1241 requires that every notice of a polling place shall include the building name, if any, and street address. HB 1241 will increase voter participation by removing a barrier for eligible voters, in Texas, who seek to find information on how to participate in the election process. More voices in Texas will be heard by having feasible access to information on the polling places and ensure that more Texans are politically represented.</p>	<p>Favorable Evaluated by: Donisha Cotlone (832) 496-4424 Donisha@TexasLSG.org</p>

OK for Distribution – Rep. Garnett Coleman

