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LSG Floor Report for MAJOR STATE Calendar– Wednesday, March 31, 2021

Bill	Caption	Committee	Analysis & Evaluation	Recommendation
HB 7 By: Button Metcalf Rodriguez Thierry Landgraf	Relating to the computation of the replenishment ratio used to determine an employer's unemployment compensation tax rate.	International Relations & Economic Development Vote 8 Ayes, 1 Nays, 0 PNV, 0 Absent	In Texas, unemployment benefits come from the Unemployment Compensation Trust Fund, which is procured by Texas employers who pay an annual unemployment insurance tax. The rate of this tax is the sum of five components, one being the General Tax Rate (GTR). The GTR is calculated using two factors: effective charges and non-effective charges. Non-effective charges are benefits that are paid but not charged to any specific employer account. The impact of the pandemic has resulted in over \$7 billion in non-effective charges to the trust fund. This increase would lead to an increase in the GTR paid by employers, which would burden small businesses, many of whom have struggled to remain open. HB 7 would amend the Labor Code to require the Texas Workforce Commission (TWC) to exclude the payment of non-effective charges that derive from a disaster that the Governor has declared for more than 50 percent of Texas counties. The bill would grant TWC flexibility to determine how much of the non-effective charges are paid in one year, allowing for the \$7 billion to be paid over the course of several years to balance out what the trust fund and Texas employers can manage. Concerns were raised that these provisions will apply to large businesses and corporations that did not struggle during the COVID-19 pandemic.	Favorable, with concerns Evaluated by: Maddox Hilgers (512) 739-4885 Maddox@TexasLSG.org
HB 797 By: Howard Price Jetton Guerra Klick	Relating to allowing home and hospice agencies to administer certain vaccines.	Public Health 8 Ayes, 0 Nays, 0 PNV, 3 Absent	During earlier vaccination rollouts, home and hospice nurses have not been able to provide vaccinations to their patients, who are often considered medically vulnerable. This is due to the limited list of vaccines these facilities are permitted to administer. There were thousands of nurses that could have aided in vaccine administration, such as the COVID 19 vaccine. HB 797 would expand this to “any FDA-approved vaccine created to treat or mitigate the spread of a communicable disease.” This bill puts in place a commonsense provision to allow home and hospice workers to administer vaccines to their vulnerable patients.	Favorable Evaluated by: Devan Daniel (419) 566-5465 Devan@TexasLSG.org


LSG Floor Report for GENERAL STATE Calendar– Wednesday, March 31, 2021

HB 1195 By:	Relating to the franchise tax treatment of certain loans and grants made	Ways & Means Vote: 10 Ayes	In 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which included the Paycheck Protection Program (PPP) that provided forgivable loans covering payroll expenses to businesses. This federal legislation amended the Internal Revenue Code (IRC) to create franchise tax protections by excluding PPP loan forgiveness funds from being calculated as general revenue. In “static” states that do not automatically change their tax codes to reflect the	Favorable Evaluated by: Cassidy Kenyon
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Geren Goldman Frullo Meyer Bonnen	under the federal Coronavirus Aid, Relief, and Economic Security Act.	0 Nays 0 PNV 1 Absent	<p>IRC, business entities do not automatically receive this protection, and many such states are creating legislation to ensure PPP loan recipients are adequately protected. Texas is a “static” state, thus income generated from loan forgiveness cannot be exempted from total revenue used to determine franchise taxes unless directly excluded by statute.</p> <p>HB1195 seeks to create such a statute, to ensure any income received from PPP loan forgiveness will not be included when calculating total revenue for the purpose of collecting franchise taxes. Qualifying expenses paid with loan proceeds may also be included in the determination of cost of goods sold or in the determination of compensation when calculating gross income. These changes update the Tax Code to ensure PPP loan forgiveness recipients are protected in accordance with the intent of the CARES Act.</p>	(760) 429-8388 Cassidy@TexasLSG.org
HB 390 By: Thompson Shine	Relating to requirements for human trafficking awareness and prevention in commercial lodging establishments; authorizing a civil penalty.	Business & Industry Vote: 8 Ayes, 1 Nays, 0 PNV, 0 Absent	<p>Currently, the commercial lodging industry in Texas has been reported to be a popular setting for human trafficking and the industry is not well equipped with proper training to identify risk factors or guidelines to keep them accountable. Victims are known to encounter the hospitality industry quite frequently. A recent survey of sex trafficking survivors reported 80% engagement in commercial sex at a hotel or motel.</p> <p>HB 390 addresses these concerns by amending the Business and Commerce Code to require human trafficking training for employees of commercial lodging establishments. This bill establishes an approved training through the Office of the Attorney General (OAG) for this purpose. The training may be offered in person or online and annual certification of training compliance of all employees of the lodging establishment must be given to the OAG. The operator is required to maintain documentation and certificates of completion for all current and former employees of the establishment.</p> <p>Additionally, this bill would require these establishments to make signage visible throughout their business regarding reporting requirements. There have been concerns that those who report in good faith may suffer negative consequences for reporting and this bill ensures that they are protected from retributions. However, if the OAG has reason to believe an operator of a commercial lodging establishment has violated the provisions of HB 390, the OAG must provide written notice to the operator. If they are in violation and do not fix the violation within 30 days, the operator is liable through a civil penalty of up to \$500 a day. To ensure compliance with the bill a peace officer may enter the premises of a commercial lodging establishment between 9 a.m. and 5 p.m., Monday through Friday.</p> <p>This bill would ensure that those more likely to encounter human trafficking are sufficiently trained and able to report these situations. This could increase the number of victims rescued by holding commercial lodging establishments accountable.</p>	Favorable Evaluated by: Maya Ali 469-662-4762 Maya@TexasLSG.org
HB 365 By: Murr Slawson Burns Rogers	Relating to liability arising from farm animals.	Judiciary and Civil Jurisprudence Vote: 9 Ayes, 0 Nays, 0 PNV, 0 Absent	<p>The Farm Animal Liability Act (FALA) limits the liability that a farm animal professional or owner would have in instances when someone is injured while taking part in farm animal activities. In 2020, the Texas Supreme court issued an opinion stating that the Act does not apply to ranchers or ranch hands.</p> <p>HB 365 expands FALA definitions to clarify the provisions of the bill. The bill includes farm owners or lessees in the list of individuals that are subject to the limitation of liability, liability exceptions and warning notice requirements under this Act. It states that they are not liable if the harm is from dangers or conditions that are an inherent risk of a farm animal, farm animal activity, animal showing or raising or handling of livestock. Additionally, liability exceptions are expanded to include work activities if a reasonable and prudent effort was not made to determine if the person could engage safely in the activity or the management of the farm animal. It adds warning notice requirements regarding limited liability be posted where the activity is conducted and included in employee and independent contractor contracts. It also revises the language of the warning notice to align with the provisions in the bill.</p>	Favorable Evaluated by: Victoria McDonough (251)422-0558 Victoria@TexasLSG.org

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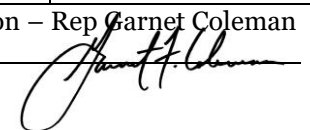
			This bill will further protect individuals involved in farm animal activities or livestock shows from exposure to liability for common farm and ranching activities and the handling and managing of farm animals.	
HB 654 By: Lucio III Allison	Relating to the rule against perpetuities.	Judiciary and Civil Jurisprudence Vote: 9 Ayes, 0 Nays, 0 PNV, 0 Absent	HB 654 would amend the rule against perpetuities to increase the time frame of a trust from 21 years to a maximum of 300 years before an interest in a property must vest. The rule against perpetuities is a legal principle that defines a permissible duration of certain trusts. Texas currently practices under the rule stating that a trust must be settled 21 years after the death of the last family member who was alive at the time the trust was created. By extending the rule against perpetuities, the trust would be granted a longer period before a trust must be finally settled. This restrictive rule has led to many Texan's moving their capital through a trust in a state that has extended or eliminated their rule against perpetuities. The current rule against perpetuities has created a market that is not desirable for Texans to establish a trust, causing economic disadvantages for the state of Texas. It has been estimated that approximately \$100 billion in trust funds have moved because of our restrictive law. By expanding this rule, it would create incentives for Texans and individuals residing outside of the state, to establish their trust in the state of Texas.	Favorable Evaluated by: Victoria McDonough (251)422-0558 Victoria@TexasLSG.org
HB 531 By: Walle Morales Shaw	Relating to notice requirements for a leased dwelling located in a floodplain.	Business & Industry Vote: 8 Ayes, 0 Nays, 0 PNV, 1 Absent	Concerns have been raised, particularly after Hurricane Harvey, that renters in areas susceptible to flooding may be unaware of the risk of their home flooding. It has been noted that while landlords are required to provide prospective tenants notification of certain hazards such as the use of lead paint, there is no similar requirement for a flood hazard. Additionally, state law requires a person selling real property to disclose to prospective homeowners whether the property is in a floodplain, however, there is no similar requirement for landlords to give this notice to their tenants. HB 531 addresses these concerns by requiring a landlord to provide a residential tenant a written notice indicating whether the landlord is or is not aware that the leased dwelling is in a 100-year floodplain. This bill requires a landlord who knows that flooding has damaged any portion of a dwelling at least once during the five-year period immediately preceding the effective date of the lease to provide a written notice to a tenant indicating whether the landlord is or is not aware that the leased dwelling has flooded at least once within this period. A notice required by the bill must be included in a separate written document given to the tenant before the execution of the lease. If a landlord violates these provisions and as a result, a tenant suffers loss or damage to their personal property, a tenant may terminate the lease by giving written notice of the termination no later than the 30th day after the date the loss or damage occurred. Additionally, the bill defines "100-year floodplain" and "flooding" for purposes of its provisions. This bill would extend rights that homeowners have to renters by putting important information about the property in the hands of tenants to help them make an informed decision about where to live before signing a lease.	Favorable Evaluated by: Maya Ali 469-662-4762 Maya@TexasLSG.org
HB 567 By: Frank Noble Wu	Relating to the procedures and grounds for terminating the parent-child relationship, for taking possession of a child, and for certain hearings in a suit affecting the parent-child relationship involving the Department of Family and Protective Services.	Juvenile Justice and Family Issues 8 Ayes, 1 Nay, 0 PNV, 0 Absent	There have been multiple instances of inappropriate removals of children from their families by the Department of Family and Protective Services (DFPS). This leads to traumatic experiences of both the children and the parents impacted by removal. More so, there are multiple instances of these children not being placed with the non-offending parent or the prolonged returning of the child. HB 567 aims to correct these failures by: <ul style="list-style-type: none"> • Providing a more specific definition of "neglect". • Changing the language of "substantial risk" to "immediate danger" when determining if a child should be removed from a home. • Establishing a deadline for the court to decide to terminate parental rights as well as the placement for the child. • Ensuring appropriate access to court-appointed legal counsel for parents required to participate • Outlining what cannot be used as evidence for the termination of a parent-child relationship to include a parent allowing their child to engage in an activity that is typical or appropriate for their age, maturity, developmental ability, or culture. 	Favorable Evaluated by: Devan Daniel (419) 566-5465 Devan@TexasLSG.org

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			<ul style="list-style-type: none"> • Outlining what cannot be used as evidence for the removal of a child from their home. Specifically, a parent that tests positive for marijuana or a parent that allows their child to engage in an appropriate or typical activity cannot be used as evidence for a child to be removed from their home. • Repealing the “non-emergency” section of the Family Code and the corollary sections. This would remove the ability for DFPS to perform non-emergency removals as they are deemed unnecessary. DFPS would still be able to perform home removals if there is sufficient evidence to indicate an emergency. <p>HB 567 improves the structural parameters regarding the separation of children from their families while also improving sections of code that elongate court proceedings and prolong the separation of children. Ultimately, it will decrease the time children spend apart from their families.</p>	
<p>HB 33</p> <p>By: Dominguez</p>	<p>Relating to measures to facilitate the award of postsecondary course credit leading to workforce credentialing based on military experience, education, and training.</p>	<p>Defense & Veteran Affairs</p> <p>Vote</p> <p>9 Ayes,</p> <p>0 Nays</p> <p>0 PNV</p> <p>0 Absent</p>	<p>The College Credit for Heroes program is a partnership between the Texas Workforce Commission (TWC) and the Texas Higher Education Coordinating Board (THECB) to ensure that Texas veterans and service members receive the credit they earned from military experience in the form of college credit. Currently, there is no consolidated list of programs provided by career schools or colleges in Texas that allow for credit to be given for programs of study or courses for an individual’s military experience, education, or training.</p> <p>Under provisions in HB 33, the TWC must require that a career school or college provide credit towards any required course time for the program or course of study for skills obtained through military experience, education, or training. The bill also amends the Labor Code to require TWC to identify, develop, and support methods to facilitate the award of course time credit by career schools, colleges, or private or nonprofit entities that participate in a credit exchange program for applicable military experience. Finally, HB 33 would amend the Education Code to require TWC to evaluate programs of study or courses offered by careers schools or colleges leading to industry-based certifications or other workforce credentials for military credit exchange. Once identified, a list of programs or courses and applicable military experience, education, or training must be published on the appropriate website.</p> <p>These actions would consolidate information and make it easier for Texas service members and veterans to receive post-secondary credit for military experience, education, and training. This would make re-entering civilian life and seeking certifications or workforce credentials easier for veterans and current service members.</p>	<p>Favorable</p> <p>Evaluated by: Maddox Hilgers (512) 739-4885 Maddox@TexasLSG.org</p>
<p>HB 139</p> <p>By: Buckley Wilson Slawson Bowers</p>	<p>Relating to state occupational licensing of certain military veterans and military spouses.</p>	<p>Defense & Veteran Affairs</p> <p>Vote</p> <p>9 Ayes,</p> <p>0 Nays,</p> <p>0 PNV,</p> <p>0 Absent</p>	<p>When an active service member receives notice that they are to be stationed in a new state it often means their family must go with them. Many times, a military spouse leaves their job and must obtain a new occupational license in the new state. This can be very time-consuming, stressful, and expensive.</p> <p>HB 139 seeks to allow the commissioner of education to adopt exceptions to examination requirements to obtain educator certification in Texas for military veterans or military spouses. The bill amends provisions allowing the State Board for Educator Certification (SBEC) to accept a permanent change of station order to establish residency and require a military identification card when applying for an expedited education certification in Texas. HB 139 also amends the Occupation Code to ensure a military veteran or military spouse receives appropriate credit for their experience in a licensed profession, including clinical and professional experience. A state agency that issues a license with a residency requirement would be required to accept a copy of the permanent change of station order for the military service member to whom the spouse is married. SBEC would have to post on its website a required notice describing the Occupation Code provisions available to military service members, military spouses, and veterans. The Occupation Code would also be updated to include “space force” as a branch of the U.S. armed forces.</p> <p>This bill would make Texas more attractive to active service members and veterans by eliminating the burden of a spouse to have an extended wait period before they are employed due to licensing requirements.</p>	<p>Favorable</p> <p>Evaluated by: Maddox Hilgers (512) 739-4885 Maddox@TexasLSG.org</p>

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HB 1227 By: Leman Johnson, Jarvis Klick Frank Neave	Relating to certain procedures regarding court-ordered financial support for a child in the conservatorship of the Department of Family and Protective Services.	Juvenile Justice and Family Issues 7 Ayes, 0 Nays, 0 PNV, 2 Absent	There have been instances where children placed in conservatorship with the Department of Family and Protective Services (DFPS) have court orders for child support. Once the child is placed with a kinship placement or foster family, the child support is meant to be rerouted through the Office of the Attorney General (OAG) to go to that placement or family. However, there have been complications or delays due to the OAG not being informed of these changes in a timely manner. HB 1227 aims to address this situation by requiring courts to directly notify the OAG of rendered orders of support for children in conservatorship. Specifically, the courts must report within 10 days the orders that require payments to be directed to DFPS which then will be paid out to the placement or family. HB 1227 will reduce the delay in the payments that have placed significant financial strain on the placements and families.	Favorable Evaluated by: Devan Daniel (419) 566-5465 Devan@TexasLSG.org
HB 2625 By: Noble	Relating to excluding the furnishing of an academic transcript from the definition of "information service" for purposes of sales and use taxes.	Ways & Means Vote: 10 Ayes 0 Nays 0 PNV 1 Absent	Public universities in Texas are exempted from collecting sales and use taxes when charging fees for providing copies of transcripts requested by students. At this time, students at private universities must pay sales and use taxes on fees associated with transcript requests. To foster more equity in higher education, HB 2625 amends the tax code to change the definition of "information service" to clarify that it does not include the furnishing of an academic transcript. As a result, students at private universities would not have to pay sales tax on fees associated with requesting an academic transcript.	Favorable Evaluated by: Cassidy Kenyon (760) 429-8388 Cassidy@TexasLSG.org
HB 1401 By: Johnson, Ann White Wu Guillen	Relating to the methods to send applications and orders for sealing juvenile records.	Juvenile Justice and Family Issues 7 Ayes, 0 Nays, 1 PNV, 1 Absent	Currently, Texas law does not include all forms of efficient, electronic submission for applications to seal juvenile records. The current wording allows for mail and email submission, but the development of more effective secure methods prompted the desire to amend the Family Code. HB 1401 would include secure electronic submissions for applications to seal juvenile records and allow for copies of the order to be sent via secure electronic methods. This bill updates procedural matters to reflect available technology and expedite these procedures.	Favorable Evaluated by: Devan Daniel (419) 566-5465 Devan@TexasLSG.org
HB 1729 By: Harris	Relating to the sale of alcoholic beverages in areas annexed by certain municipalities.	Licensing and Administration Vote: 9 Ayes 0 Nays 0 PNV 2 Absent	Elkhart, Texas was one of many cities to pass a wet ordinance within a partially dry county several decades ago. The municipality has consistently encountered issues when annexing smaller cities due to certain Alcoholic Beverage Code requirements. Statute requires the city council to hold an election permitting the newly annexed territory to sell alcohol at any capacity each time a new territory is annexed. Holding these elections have proved burdensome and expensive while preventing many small businesses from opening and operating efficiently. HB 1729 adds an exception to the Alcoholic Beverage Code allowing for cities annexed by the Elkhart Municipality to automatically assume wet status encouraging economic development in Elkhart while preventing unnecessary waste of local government resources.	Favorable Evaluated by: Cassidy Kenyon (760) 429-8388 Cassidy@TexasLSG.org
HB 725 By: Patterson Gonzalez, Mary Dominquez Allison Cook	Relating to the eligibility of certain children who are or were in foster care for free prekindergarten programs in public schools.	Public Education Votes: 13 Ayes, 0 Nays, 0 PNV, 0 Absent	Currently, eligibility to enroll a child in free public school pre-kindergarten class in Texas extends to children that are or have been in the conservatorship of the Department of Family and Protective Services (DFPS). However, this excludes children who were in foster care in another state or territory but are now residing in Texas. HB 725 would extend free pre-kindergarten services to all children who have been in the foster care system whether they were in Texas during that time or not. This gives an opportunity for all foster care children to acquire the necessary education and services that pre-kindergarten classes offer.	Favorable Evaluated by: Phuong Nguyen 832-302-9940 Phuong@TexasLSG.org

