



Chair, Rep. Garnet Coleman

Treasurer, Rep. Elliott Naishtat

Vice Chair, Rep. Lon Burnam

Representative

Desk

LSG Floor Report for Major State Calendar – Friday, May 17, 2013

Bill	Caption	Committee	Analysis & Evaluation	Recommendation
SB 1458 By Sen. Duncan, et al. (Rep Callegari, et al.)	Relating to contributions to, benefits from, and the administration of systems and programs administered by the Teacher Retirement System of Texas.	Pensions	<p>SB 1458 changes provisions of the Government Code relating to the Teacher Retirement System of Texas (TRS). This bill raises the retirement age to 62 for individuals to receive full, unreduced benefits and reduces interest paid on employee retirement account balances from 5% to 2%. Under this bill, a one-time Cost-of-Living Adjustment (COLA) is provided, but must not be greater than \$100 per month. The COLA does not apply to all members, only to those individuals who already qualify to receive standard and disability annuity payments. This bill also requires Independent School Districts who do not contribute to Social Security to pay 1% of minimum salary scale for all participating employees into TRS. This cuts into school district operating funds, which mostly pays for employee salaries. Under SB 1458, there is no increase in the state's contribution rate in FY 2014, and a small increase of 0.3% increase in FY2015.</p> <p>While SB 1458 provides for a COLA, it unfairly only applies to members that are currently eligible to receive standard and beneficiary annuity payments, which equates to approximately 30% of members of the fund. <i>We recommend amending the bill to expand the COLA to cover all retirees and all active employees. Additionally, we recommend that this bill be amended to grandfather in current employees to allow them to retire at the current retirement age requirement of 60.</i> If the state is serious about ensuring the funds are completely actuarially sound it will require additional funding, not cutting the retirement benefits of employees.</p>	<p><u>Will of the House Unless Amended</u></p> <p>Evaluated by: Maggie Nelson 512-763-0031 Maggie@texaslsg.org</p>

LSG Floor Report for Constitutional Amendments Calendar – Friday, May 17, 2013

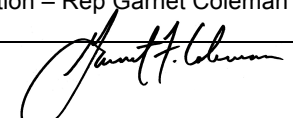
SJR 54 By Sen. Hinojosa (Rep. Guerra)	Proposing a constitutional amendment repealing the constitutional provision authorizing the creation of a hospital district in Hidalgo County.	County Affairs	<p>SJR 54 repeals the constitutional cap on tax rates that limits the ability of Hidalgo County to form a hospital tax district. This constitutional amendment allows Hidalgo County to set up tax rates in order to properly fund a hospital district. SJR 54 requires the approval from voters for the constitutional amendment.</p> <p>Background: A constitutional amendment in 1960 placed a ceiling for tax rates for Hidalgo County that was lower than other counties in Texas. However, the tax rate set in 1960 is no longer sustainable for the County if they choose to form a hospital district in the future.</p>	<p><u>Favorable</u></p> <p>Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org</p>
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OK for Distribution – Rep. Garnet Coleman

LSG Floor Report for General State Calendar – Friday, May 17, 2013

<p>SB 24 By Sen. Hinojosa, et al. (Rep. Oliveira, et al.)</p>	<p>Relating to the creation of a new university in South Texas within The University of Texas System.</p>	<p>Higher Education</p>	<p>SB 24 is the senate companion to HB 1000, which creates a new “super university” in South Texas by merging the students, faculty and assets of UT-Pan American, UT- Brownsville, and the Regional Academic Health Center under the governance, management, and control of the Board of Regents of the University of Texas System.</p> <p>The new university will become eligible for more funding dollars to increase academic viability. Receiving a 2/3 vote will make the university eligible to participate in the Permanent University Fund (PUF). Participating in this fund will allow the university to begin the process of achieving Tier 1 status. Increasing profits from oil and gas rich lands will allow inclusion in this fund without reducing funding from other PUF eligible institutions. The new university will become eligible for additional funding opportunities, such as UTRIP (matching funds from local entities), National Research funds and state faculty retention dollars. These universities are currently too small to be eligible for these funds on their own. Current funding formulas only provide UT-Pan American \$14 million and UT-Brownsville \$2 million. The new university will be eligible for “emerging research university” status, allowing it to compete for additional money based on fundraising, research expenditures, academic achievement and graduate degree attainment.</p> <p>This bill will have a significant economic impact to the region. The merger will create 7-10 thousand new jobs with an average salary of \$63,000, reduce the unemployment rate of the Lower Rio Grande Valley, and improve access to higher education and healthcare. Merging the institutions will reduce duplication in services, resulting in increased spending on research and new programs.</p> <p>SB 24 will provide much needed medical relief to the South Texas region by creating a state of the art 21st century medical school. The current Regional Academic Health Center will become a regional Medical University serving the needs of the Lower Rio Grande Valley and reduce the shortage of physicians and medical personnel in Texas. There are currently approximately 110 doctors for every 100 thousand residents. This is currently half of the state average.</p> <p>There is no current fiscal note for the bill, but as the medical school becomes operational state formula funding will be realized. SB 24 will require additional appropriations over the next ten years to ensure South Texas becomes a hub for medical and academic achievement. With larger state funding, the university can leverage federal funding and additional resources to gain academic capital. The UT System has committed over \$100 million over the next 10 years, but an additional \$10 million over current appropriations will be needed to fully accomplish this goal.</p>	<p><u>Favorable</u> Evaluated by: Torey Powell 512-763-0031 Torey@texaslsg.org</p>
<p>SB 1430 By Sen. Hinojosa (Rep. Herrero)</p>	<p>Relating to the applicability of certain public works contracting requirements.</p>	<p>Government Efficiency & Reform</p>	<p>SB 1430 seeks to enhance economic and infrastructure development by removing certain limitation requirements on the amount of contracted civil work projects. The bill establishes that after August 31, 2013 governmental entities or municipally owned water utility companies in an area with a population higher than 500,000 may enter into no more than 6 contractual agreements for civil work projects. The bill also decreases the population requirements for change orders to occur in public work contracts from 500,000 to 300,000 people.</p>	<p><u>Favorable</u> Evaluated by: Nena Chima 512-763-0031 Nena@texaslsg.org</p>

OK for Distribution – Rep Garnet Coleman

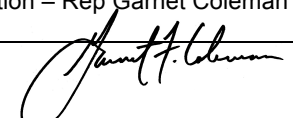


<p>SB 981 By Sen. Van de Putte, et al. (Rep. Menéndez)</p>	<p>Relating to electric utility bill payment assistance programs for certain veterans burned in combat.</p>	<p>State Affairs</p>	<p>SB 981 allows an electric utility to establish and implement a bill payment assistance program for customers who are veterans who have been certified to have a limited ability to regulate their body temperature due to severe burns obtained in combat. This bill is aimed to reasonably accommodate injured military veterans, and in turn promotes their health and healing. SB 981 requires the board of directors of an electric cooperative or the governing body of a municipally owned utility to develop the bill payment assistance programs and determine the method of funding for these customers. The bill establishes that the electric utility is entitled to fully recover all costs and expenses related to the bill payment assistance program, to defer each cost or expense related to the bill payment assistance program not explicitly included in base rates, and to apply carrying charges at the utility's weighted average cost of capital to the extent related to the bill payment assistance program. The costs of the bill payment assistance program are considered a necessary operations expense. The bill also requires the Public Utilities Commission (PUC) to compile a list of related programs available for this purpose to publish the list on the PUC's website and provide a link.</p>	<p>Favorable Evaluated by: Amanda Williams 512-763-0031 Amanda.Williams@texaslsg.org</p>
<p>SB 639 By Sen. Carona, et al. (Rep. Geren, et al.)</p>	<p>Relating to the sale of beer, ale, and malt liquor by a brewer or beer manufacturer to a wholesaler or distributor and contractual agreements between those entities.</p>	<p>Licensing & Administrative Procedures</p>	<p>SB 639 prohibits certain pricing and selling practices for alcohol sold by producers to distributors. The bill does not allow a producer to set a sale price for a distributor based on the sale price a distributor sets for a retailer. However, the bill expressly allows a producer and distributor to contract with each other on all aspects of the business, including pricing.</p> <p>SB 639 also prohibits a producer from <i>selling</i> exclusive rights of sale to a distributor. The law still allows a distributor to <i>contract</i> with a producer for exclusive rights without monetary transaction. While this aligns with best practices outlined by Texas Alcoholic Beverage Commission (TABC) because it limits the movement of money to between tiers in the three-tier-system, it creates some unintended consequences. A distributor who has contracted for exclusive rights could turn around and make money by selling those exclusive rights to another distributor.</p> <p>Passage of this bill is contingent upon the passage of SB 515, SB 516, SB 517, and SB 518.</p>	<p>Will of the House Evaluated by: Kristen Macaluso 512-763-0031 Kristen@texaslsg.org</p>
<p>SB 515 By Sen. Eltife, et al. (Rep. Smith, et al.)</p>	<p>Relating to the sale and production of malt liquor, ale, and beer by the holder of a brewpub license.</p>	<p>Licensing & Administrative Procedures</p>	<p>SB 515 loosens restrictions on sale and production by brewpubs and requires monthly sales reports to the TABC. The bill allows a licensed brewpub to sell beer <i>as</i> a general distributor and to sell beer to other distributors. It also allows a brewpub to sell malt liquor and ale <i>as</i> a wholesaler and also to sell to other wholesalers. SB 515 allows brewpubs to distribute malt liquor and ale up to 1,000 barrels per location and 2,500 total barrels and also raises the limit for a brewpub's annual production from 5,000 to 10,000 barrels. SB 515 allows class B wholesalers to purchase from brewpubs and allows licensed distributors to receive beer from brewpubs.</p> <p>Currently wholesalers may only purchase from brewers and other wholesalers, and distributors may only receive beer from manufacturers and distributors.</p> <p>Background: Regulation of alcohol was set up in a three-tier system after prohibition in order to mitigate excesses. The three-tiers are made up of producers, wholesalers, and distributors. The brewpub model, which is small-scale by nature, brings people and production in one place. Brewpub entities are well positioned to perform functions across the three tiers, but are restricted from doing so by the tier-system in place.</p> <p>Passage of this bill is contingent upon the passage of SB 516, SB 517, SB 518 and SB 639.</p>	<p>Favorable Evaluated by: Kristen Macaluso 512-763-0031 Kristen@texaslsg.org</p>

<p>SB 516 By Sen. Eltife, et al. (Rep. Smith, et al.)</p>	<p>Relating to the distribution of ale by certain brewers.</p>	<p>Licensing & Administrative Procedures</p>	<p>SB 516 seeks to promote and enhance small business development and economic growth among local or small breweries by allowing the issuance of a self-distribution permit to ale Brewers with a fee of \$250. The permit provides the same authority as a class B wholesaler and may only be issued to a person that holds a Brewer permit or a nonresident Brewer permit.</p> <p>The self-distribution permit allows a Brewer to sell ale products directly to retailers. In order for self-distribution to occur, the Brewer cannot exceed an annual ale or beer production of more than 125,000 barrels. Ale sales may only be shipped within the state of Texas and the total combined sales from this self-distribution may not exceed more than 40,000 barrels, annually. The sales report of the distributions must be submitted no later than the 15th day of each month to the Texas Alcoholic Beverage Commission.</p> <p>The bill can only take effect if the corresponding bills are passed: SB 515, 517, 518 and 639.</p>	<p><u>Favorable</u> Evaluated by: Nena Chima 512-763-0031 nena@texaslsg.org</p>
<p>SB 517 By Sen. Eltife, et al. (Rep. Smith, et al.)</p>	<p>Relating to the distribution of beer by certain manufacturers.</p>	<p>Licensing & Administrative Procedures</p>	<p>SB 517 increases the size of an alcohol manufacturer that can be licensed to self-distribute and establishes a \$250 fee for this license. Manufacturers whose annual beer production is 125,000 barrels or less is authorized to self-distribute as a general distributor is authorized as long as the beer comes from a facility in this state and sells no more than 40,000 barrels annually at any location. The bill requires the preceding month's sales be reported each month to the commission. Under current law, the allowance is for alcohol manufacturers with annual beer production of 75,000 barrels or less. The bill gives the expanding Texas craft brew industry more room to grow.</p> <p>Passage of this bill is contingent upon the passage of SB 515, SB 516, SB 518 and SB 639.</p>	<p><u>Favorable</u> Evaluated by: Kristen Macaluso 512-763-0031 Kristen@texaslsg.org</p>
<p>SB 518 By Sen. Eltife, et al. (Rep. Smith, et al.)</p>	<p>Relating to the authority of certain brewers and manufacturers to sell beer and ale to ultimate consumers.</p>	<p>Licensing & Administrative Procedures</p>	<p>SB 518 authorizes licensed brewers or manufacturers whose annual production of beer and ale is 225,000 barrels or less to sell up to 5,000 barrels of ale annually on the premises. Both the sale and consumption on premises is allowed between 8 a.m. to midnight Monday through Saturday, and 10 a.m. to midnight on Sunday. The bill improves access for consumers and allows the small businesses of the Texas craft brew industry to respond to demand.</p> <p>Passage of this bill is contingent upon the passage of SB 515, SB 516, SB 517 and SB 639.</p>	<p><u>Favorable</u> Evaluated by: Kristen Macaluso 512-763-0031 Kristen@texaslsg.org</p>
<p>SB 1678 By Sen. Deuell, et al. (Rep. Isaac)</p>	<p>Relating to the events and expenses eligible for, reporting requirements concerning disbursements from, and a study by the comptroller of the Major Events trust fund and the Events trust fund.</p>	<p>Economic & Small Business Development</p>	<p>This bill makes changes to eligibility and reporting requirements for the Major Events Trust Fund (METF) and the Events Trust Fund (ETF). This bill strictly reduces the number of games eligible from the METF and ETF economic Incentives programs to the current games listed in Vernon's Texas Civil Statutes. A site selection must complete one of the following requirements in order to be eligible for METF: (1) a site selection organization selects a site to be held once a year per contract, (2) a site selection selects an event that would be the sole site of the event or the only site for the region in Texas and another state, (3) the event is not held more than once a year, (4) the event has an incremental increase in state and local revenues of at least \$1 million and yearly event contract's incremental increase in tax receipts must be calculated as if the event did not occur in the prior year. Events eligible for METF must submit their request for a determination of incremental increase in state and local tax receipts to the Comptroller within 45 days before the event begins; currently, this deadline is three months. It will eliminate distributions between both the METF and ETF for expenses deemed necessary to conduct the event creating an unreasonable 5% payment cap for structural improvements if the improvements are expected to derive from most of its value in subsequent uses.</p> <p>The Bill requires the comptroller to conduct a post-event impact study for a METF within 10 months of completion and post her findings online. In considering whether to make a disbursement from the trust fund, SB 1678 would not allow the Comptroller to consider a contingency clause in an event support contract as relieving a local organizing committee's, endorsing</p>	<p><u>Will of the House</u> Evaluated by: Yvonne Okonkwo 512-763-0031 Yvonne@Texaslsg.org</p>

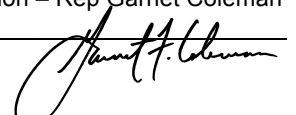
			municipality's, or endorsing county's obligation to pay a cost under the contract. The bill limits the number of events to ten per year from an endorsing city or county over 100,000 populations. Events which generate over \$200K in tax increments gain would not be subject to this cap. Upon the completion of an event, the bill authorizes the Comptroller to reduce the amount of disbursements if the actual attendance figures is "significantly lower" than the actual attended numbers. The bill would require the Comptroller to conduct a study to determine the economic impact of events which qualify for funding through METF and ETF and to determine whether the events would likely be held in Texas if it didn't receive incentives through the METF and ETF trust funds. This bill tightens the framework of disbursement funds; however, it will reduce the return on investments and economic gain for Texas because non-sporting events will no longer qualify for this fund and because of the strict one site per region threshold requirement.	
SB 1017 By Sen. Paxton (Rep. Lavender)	Relating to the funding for and administration of travel and information operations by the Texas Department of Transportation.	Transportation	SB 1017 allows TxDOT to enter into an agreement with local government for the operation of a travel information center located within the local government's boundaries. TxDOT may issue a request for proposal to private or non-profit entities for operation for a travel information center. Commercial advertising space may be sold at a set rate by the department if the advertisements are not visible from the main traveled way of the highway. The amount of federal highway funding for the department cannot be decreased by this bill. TxDOT may enter into an agreement for the acknowledgement of donations if acknowledgement does not contain comparative or qualitative description of products, services, facilities or companies donated which will be credited into a separate account in the state highway fund.	Favorable Evaluated by: Kelle' Martin 512-763-0031 Kelle@texaslsg.org
SB 652 By Sen. Van de Putte (Rep. Guillen)	Relating to the transfer of alcoholic beverages for manufacturing purposes between certain permit and license holders.	Licensing & Administrative Procedures	SB 652 allows licensed distilleries to purchase distilled spirits from similar distillers and rectifiers. It also allows licensed brewers, distilleries, wineries, wine bottlers, and manufacturers to transfer in bulk the alcoholic beverage they produce between each other. The beverage must be used for manufacturing purposes and be permitted by federal law. Prohibiting distilleries from purchasing in-state, as is the case under current law, disadvantages Texas businesses.	Favorable Evaluated by: Kristen Macaluso 512-763-0031 Kristen@texaslsg.org
SB 758 By Sen. Williams (Rep. Pitts)	Relating to the established schedule of payments from the foundation school fund of the yearly entitlement of certain school districts.	Appropriations	Last session, the final August 2013 payment to the Foundation School Program (FSP) was deferred to September 2013- the new fiscal year. This was a budgetary device employed to balance the budget in the face of a \$27 billion shortfall. The passage of HB 10 gives \$1.75 billion to the Texas Education Agency (TEA) to undo this deferral. SB 758 simply changes current statute, resetting the schedule of payments to occur once a month for the fiscal year (September- August). Alternatively, leaving the deferral in place for the next biennium would allow Texas to fully recover from the recession and establish increased fiscal security. Doing so would also result in the restoration of nearly all of the cuts made to public education last session.	Favorable Evaluated by: Laura Welch 512-763-0031 Laura@texaslsg.org
SB 198 By Sen. Watson (Rep. Dukes)	Relating to restrictive covenants regulating drought-resistant landscaping or water-conserving natural turf.	Natural Resources	SB 198 prohibits a property owners' association from including or enforcing a provision that prohibits or restricts a property owner from using drought-resistant landscaping or water-conserving natural turf. SB 198 allows an association to require an owner to submit a detailed description of an installation plan for review and approval, but restricts the association from unreasonably denying or withholding approval of a proposed installation if it is aesthetically incompatible.	Favorable Evaluated by: Amanda Foster 512-763-0031 Amanda.Foster@texaslsg.org

OK for Distribution – Rep Garnet Coleman



<p>SB 1364 By Sen. Schwertner (Rep. Murphy)</p>	<p>Relating to the computation of an electric utility's income taxes.</p>	<p>State Affairs</p>	<p>SB 1364 addresses the concern that the Public Utility Regulatory Act (PURA) allows the PUC to negatively adjust the income tax portion of regulated rates for utilities in order to compensate for tax benefits received by their unregulated affiliated companies, which do not deal with the production of electricity. This bill revises how the PUC calculates taxes for ratemaking purposes.</p> <p>SB 1364 requires the related income tax benefits to be included in the computation of income tax expense to reduce rates if an expense is allowed in the utility rates or an investment is included in the utility rate base. If an expense is <i>not</i> in utility rates or an investment is not in the rate base, the related income benefit may <i>not</i> be included in the computation of income tax expense. This ensures that when companies come in for rate cases, only costs and revenues from providing electric service in Texas are included in that review.</p> <p>This allows the utility rates to accurately reflect the income tax expense on a standalone basis, using only the regulated utility's income and the applicable income tax rates.</p> <p>This bill removes the consolidated tax savings adjustment calculation for affected regulated electric utilities, putting Texas in line with forty-five other states. Texas currently employs the same calculation of rates for natural gas utilities.</p>	<p>Favorable Evaluated by: Amanda Williams 512-763-0031 Amanda.Williams@texaslsg.org</p>
<p>SB 8 By Sen. Nelson, et al. (Rep. Kolkhorst)</p>	<p>Relating to the provision and delivery of certain health and human services in this state, including the provision of those services through the Medicaid program and the prevention of fraud, waste, and abuse in that program and other programs.</p>	<p>Public Health</p>	<p>SB 8 establishes mechanisms to prevent fraud, waste and abuse in the delivery of health and human services programs and delegates this implementation to HHSC's Office of Inspector General. This bill creates a Data Analysis Unit to identify weaknesses in oversight and examine data to determine compliance for Medicaid, Child Health Plan Program managed care and fee-for-service contracts. The Data Analysis Unit must submit a report on findings to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives and committees related to Medicaid programs.</p> <p>SB 8 clarifies marketing guidelines that allow a Medicaid or CHIP provider to disseminate general information on types of services offered but prohibits unsolicited personal contact intended to influence choice of providers. HHSC must establish a process for providers to submit proposed marketing activities for review to ensure compliance.</p> <p>SB 8 ensures program compliance from public transportation providers by requiring motor vehicle registration and driver's license information for medical transportation services, including a regional contracted broker and subcontractor of the broker. HHSC must review prior authorization and utilization processes within the Medicaid fee-for-service model to determine efficiency and cost-effectiveness of services.</p> <p>SB 8 requires HHSC to provide a medical transportation program operated through a Managed Transportation Organizations which includes a rural or urban transit district, local and public transportation provider and regional contracted broker. Managed Transportation Organizations would operate under a capitated rate system, operate a call center and assume financial responsibility under a full-risk model.</p> <p>SB 8 expands the criteria for Emergency Medical Services (EMS) provider by requiring a letter of credit and surety bond from ambulance providers in order to apply or renew license. A criminal background check is required along with completion of education courses on laws and department rules that affect emergency medical services providers. The Department of State Health Services (DSHS) must submit a report to the legislature indicating the numbers of EMS licenses issued and suspended as well as consumer complaints on ambulance providers.</p> <p>SB 8 authorizes the Executive Commissioner of HHSC to revoke or deny enrollment for a Medicaid program provider if the person has been excluded or debarred from participation in a state or federally funded health care program as a result of criminal conviction.</p> <p>SB 8 specifies the ineligibility for a provider to participate in the Medicaid program to begin on the date on which a trial court enters a judgment finding the provider liable of fraudulent activity.</p> <p>Although this bill is Favorable, be on the lookout for possible Unfavorable amendments.</p>	<p>Favorable Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org</p>

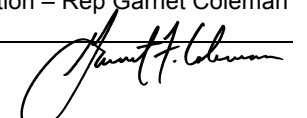
<p>SB 58 By Sen. Nelson (Rep. Zerwas)</p>	<p>Relating to the integration of behavioral health and physical health services into the Medicaid managed care program.</p>	<p>Public Health</p>	<p>SB 58 requires the Health and Human Services Commission (HHSC), to the best of their ability, to incorporate mental and behavioral health services in the Medicaid Program. This bill allows for public and private mental and behavioral health providers to contract with HHSC to ensure that children and adults with mental health needs are provided with care. HHSC will ensure that each provider meets certain standards including appropriate assessment tools, well-qualified providers, and the establishment of two health home pilot programs in two distinct areas of the state for individuals with serious mental illness and at least one other chronic health condition. Additionally, HHSC and the Department of State Health Services (DSHS) will establish a Behavioral Health Integration Advisory Committee that will meet quarterly to plan and develop mental health services. Members of this committee must have a mental health illness, have experienced publicly funded mental health services, have expertise in this area, and be a service provider. Currently, Texas has minimal to no coverage for mental health services and Texas families are severely in need of these services. This bill will address this issue by expanding the coverage of mental health services through Medicaid.</p>	<p>Favorable Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org</p>
<p>SB 124 By Sen. Rodríguez (Rep. Márquez)</p>	<p>Relating to the punishment for the offense of tampering with certain governmental records based on certain reporting for school districts and open-enrollment charter schools.</p>	<p>Criminal Jurisprudence</p>	<p>SB 124 makes a third degree felony for the falsification of data reported for a school district or open-enrollment charter school to the Texas Education Agency through the Public Education Information Management System (PEIMS). PEIMS is used by TEA to collect student and teacher data to ensure accountability in the Texas school system.</p> <p>Currently, it is a third degree felony to falsify public school records; however it does not specify PEIMS as an avenue to do so. This bill would clarify and close this loophole.</p>	<p>Favorable Evaluated by: Muna Javaid 512-763-0031 Muna@texaslsg.org</p>
<p>SB 147 By Sen. Deuell (Rep. Smithee)</p>	<p>Relating to the amount of outstanding total liability of a mortgage guaranty insurer.</p>	<p>Insurance</p>	<p>Currently, when a buyer has less than 20 percent of the purchase price of a home for a down payment, private mortgage insurance (PMI) is required. PMI assists buyers in obtaining a mortgage by providing protection to the lender in the event of nonpayment or foreclosure.</p> <p>SB 147 eliminates the requirement that insurers provide coverage to lenders for up to 25 percent of the total cost of the mortgage, but maintains financial solvency restrictions. This provision was initially instituted to reduce the risk of the lenders by transferring some of that risk to third party reinsurers. Unfortunately, third party reinsurance does not exist and this legislation resulted in additional financial and administrative costs. Passage of this bill will reduce costs for the involved companies and the Texas Department of Insurance (TDI).</p>	<p>Favorable Evaluated by: Laura Welch 512-763-0031 Laura@texaslsg.org</p>
<p>SB 149 By Sen. Nelson, et al. (Rep. Keffer, et al.)</p>	<p>Relating to the Cancer Prevention and Research Institute of Texas.</p>	<p>Public Health</p>	<p>SB 149 provides a system to increase oversight and accountability by strengthening policies on the Cancer Prevention and Research Institute of Texas (CPRIT). This bill restructures CPRIT by creating two positions for a Chief Compliance Officer and a Chief Executive Officer that can evaluate compliance and facilitate the collaborative effort to further cancer research and prevention. This bill requires CPRIT to continuously monitor contracts to ensure compliance with grant requirements. CPRIT must maintain complete records for grant applications and the recipient's financial report. This bill establishes a provision that addresses funding for salaries and clarifies rules for conflict of interest. The Research and Prevention Programs committee must score grant applications and must include information explaining how each grant application meets the standard for a recommendation. This bill authorizes CPRIT to terminate a contract and request a repayment if the grant recipient fails to fulfill grant requirements. CPRIT must also establish and implement reporting requirements to track and ensure that each grant recipient complies with the terms and conditions of the contract. This bill establishes checks and balance to ensure that CPRIT operates in a transparent and accountable way in the future.</p>	<p>Favorable Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org</p>



<p>SB 895 By Sen. Davis, et al. (Rep. Alvarado)</p>	<p>Relating to access to records of a nonprofit organization supporting the Cancer Prevention and Research Institute of Texas under the public information law.</p>	<p>Transparency in State Agency Operations, Select</p>	<p>SB 895 requires the records of a nonprofit organization that supports the Cancer Prevention and Research Institute of Texas to be made public information. This bill addresses recent struggles and confusion when attempting to obtain records from the Cancer Prevention and Research Institute.</p>	<p>Favorable Evaluated by: Katherine Little 512-763-0031 Katherine@texaslsg.org</p>
<p>SB 421 By Sen. Zaffirini, et al. (Rep. Naishtat)</p>	<p>Relating to the Texas System of Care and the development of local mental health systems of care for certain children.</p>	<p>Public Health</p>	<p>SB 421 allows the incorporation of a pilot project into statute as standard practice; the program addresses the needs of children with severe mental and emotional disabilities by educating direct care workers so that they can address these distinctive problems. Data suggests this program is effective, evidence-based, and has minimal costs. This bill requires the Health and Human Services Commission (HHSC) to create a consortium, deliver oversight, and provide this program to minors who are receiving residential and/or inpatient mental health services or are at high-risk of removal from their home due to their mental health needs. Additionally, HHSC must develop a comprehensive mental health plan using an evidence based practice and identify sources of funding. HHSC must also provide a report that includes an evaluation and future recommendations for the program to the Legislature and the Texas System of Care.</p>	<p>Favorable Evaluated by: Natalie R. Powell 512-763-0031 Natalie@texaslsg.org</p>
<p>SB 484 By Sen. Whitmire, et al. (Rep. Turner, Sylvester)</p>	<p>Relating to the creation of a prostitution prevention program; authorizing a fee.</p>	<p>Criminal Jurisprudence</p>	<p>SB 484 authorizes the establishment of prostitution prevention programs to provide certain prostitution offenders access to information, counseling, and services regarding sex addiction, sexually transmitted diseases, mental health, and substance abuse. If the defendant successfully completes the program, the court must enter an order of non-disclosure with all respect to records and files related to the arrest regardless of conviction or adjudication of guilt.</p> <p>The commissioners court of a county or governing body of a municipality may establish this program and a defendant is eligible only if the attorney representing the state consents. Two or more counties or municipalities may also establish a regional program. Social workers, counselors, former prostitutes and other health care professionals will provide services. An eligible defendant may choose whether to participate in the program and must be provided legal counsel before proceeding. Defendants may also withdraw from the program at any time. Oversight of the program will be assigned to appropriate legislative committees that may request state auditors to perform accounting audits of the program.</p> <p>A prostitution program may establish a fee not to exceed \$1,000 which may be paid on a periodic basis at the discretion of a judge, including counseling and service fees of which 10% will be deposited to the GR fund. <i>An instituted fee of up to \$1,000 in order to participate in the program may not be affordable for defendants and limits their opportunity to participate.</i></p>	<p>Favorable Evaluated by: Muna Javaid 512-763-0031 Muna@texaslsg.org</p>
<p>SB 978 By Sen. Deuell (Rep. Davis, Sarah)</p>	<p>Relating to regulation by the Texas Medical Board of local anesthesia and peripheral nerve blocks administered in an outpatient</p>	<p>Public Health</p>	<p>SB 978 ensures patient safety by regulating the use of local anesthesia in outpatient settings. This bill allows the Texas Medical Board to create guidelines on appropriate dosages to prevent unsafe levels of local anesthesia.</p>	<p>Favorable Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org</p>

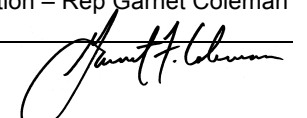
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SB 1057 By Sen. Nelson (Rep. Zerwas)	Relating to information about private health care insurance coverage and the health insurance exchange for individuals applying for certain Department of State Health Services health or mental health benefits, services, and assistance.	Insurance	<p>SB 1057 implements provisions to prevent the Department of State Health Services (DSHS) from providing certain health services to individuals who are eligible receive coverage under the new Health Insurance Marketplace enacted by the Affordable Care Act. There are currently no provisions in place to ensure that these individuals do not have access to private coverage.</p> <p>Open enrollment for this new exchange will begin October 1, 2013 and will provide individuals with easy access to affordable, nondiscriminatory, health insurance coverage to begin January 1, 2014. Some individuals who are currently eligible for certain DSHS services will now be eligible for private health insurance and at significantly lower rates.</p> <p>Individuals who are unable to access private insurance for these services must submit a form declaring their ineligibility- this process can be waived in emergency situations. To encourage individuals to participate in the health exchange, DSHS must provide these individuals with informative materials on available private insurance coverage and subsidies. This will further enhance the DSHS goal of being the payor of last resort and is estimated to save the state \$11.6 million in FY 2015.</p> <p>In addition, this will allow insurers in the state to maximize the receipt of federal reinsurance money to offset the increased costs associated with expanded coverage in the private market. Per the ACA, plans with enrollees costing over \$60,000 per year will receive reinsurance. These plans will receive \$10 billion for the first year, \$6 billion for the second, and \$4 billion for the third, final year.</p>	Favorable Evaluated by: Laura Welch 512-763-0031 Laura@texaslsg.org
SB 1214 By Sen. Schwertner (Rep. Darby)	Relating to certain economic development programs administered by the Department of Agriculture.	Economic & Small Business Development	SB 1214 provides flexibility in funding mechanisms by authorizing the Texas Department of Agriculture (TDA) to request, accept, and use any gift, grant, loan, donation, aid, appropriation, guaranty, allocation, subsidy, or contribution of any item of value to further certain economic development programs in Texas. This bill allows these funds to be used for establishing administrative, implementation, and maintenance costs directly related to TDA's economic development programs in rural areas. This bill would allow the Texas Department and Tourism Office, the Texas A&M AgriLife Extension Service, and other entities the department deems necessary to enter into a memorandum agreement and to work cooperatively. The bill specifies that communities under Texas Certified Retirement Community Program will gain assistance from this department as determined "by department rule" within 90 days after the community submits their application.	Favorable Evaluated by: Yvonne Okonkwo 512-763-0031 Yvonne@texaslsg.org
SB 1411 By Sen. Deuell (Rep. Gooden)	Relating to regulation of traffic in a conservation and reclamation district by a commissioners court.	Transportation	<p>SB1411 seeks to address a gap in traffic law enforcement because many roads outside the jurisdiction of counties and municipalities lack adequate enforcement capabilities.</p> <p>The first section of SB 1411 is bracketed to Kaufman County. The commissioners court may enter into an interlocal contract with the board of conservation and reclamation district to apply the county's traffic regulations to a public road in the county that is owned, operated and maintained by the district if the commissioners court finds that it is in the county's interest to regulate traffic on the public road.</p> <p>The second section of SB1411 applies statewide and authorizes a county commissioners court to apply the county's traffic regulations to public roads in the county that is owned, operated, and maintained by a conservation and reclamation district</p>	Favorable Evaluated by: Kelle' Martin 512-763-0031 Kelle@texaslsg.org

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			and located wholly or partly in the county of the commissioners court. Public roads being considered for this order are considered county roads for traffic regulation purposes. Commissioners court of a county may adopt regulations establishing a system of traffic control devices in restricted traffic zones.	
SB 1401 By Sen. Carona (Rep. Rodriguez, Eddie)	Relating to the eligibility of certain providers of laboratory services to participate in programs administered by health and human services agencies or the Health and Human Services Commission.	Public Health	SB 1401 establishes that HHSC laboratory service providers with at least 1,000 employees in Texas, and their wholly owned subsidiaries and affiliates who provide medically necessary services to Texans, qualify as in-state providers, regardless of where a particular test is performed. Some large Texas-based laboratory companies perform a small percentage of specialized tests outside of the State either because certain technology is unavailable in Texas or because a provider does not accept Medicaid. This bill ensures that those companies are reimbursed for Medicaid in these instances. The bill also allows in-state providers to re-enroll at the discretion of HHSC rather than every year.	Favorable Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org
SB 1729 By Sen. Nichols, et al. (Rep. King, Ken)	Relating to an agreement between the Department of Public Safety and a county for the provision of renewal and duplicate driver's license and other identification certificate services; authorizing a fee.	Homeland Security & Public Safety	SB 1729 allows DPS to create a pilot program for the provision of renewal and duplicate driver's licenses, election identification certificates, and personal identification certificate services in certain qualified counties. DPS and the commissioners court of a participating county may enter into an agreement permitting county employees to provide specified services. SB 1729 requires a participating county to remit to DPS fees collected for the issuance of the services and requires DPS to provide all equipment and supplies necessary to perform services. The bill allows a county that provides these services to collect an additional fee of up to \$5 for each transaction related to driver's license and personal identification certificate services only.	Favorable Evaluated by: Amanda Foster 512-763-0031 Amanda.Foster@texaslsg.org
SB 146 By Sen. Williams (Rep. Kolkhorst)	Relating to access by a public institution of higher education to the criminal history record information of certain persons seeking to reside in on-campus housing.	Higher Education	HB 895 allows universities to obtain a criminal history record when considering an applicant for on-campus housing. Although the bill attempts to provide safe guards to on campus residents it does so at the expense of reformed adolescents, many of whom are low income minority students who are seeking to turn around their lives. Concerns have been raised regarding the due process of individuals with pending charges. These charges, which may be dropped or dismissed, may influence the university's decision during the application process.	Unfavorable Evaluated by: Torey Powell 512-763-0031 Torey@texaslsg.org
SB 542 By Sen. Watson, et al. (Rep. Allen)	Relating to alternative dispute resolution methods regarding educational services	Public Education	To provide conflict resolution resources for parents of children with disabilities, SB 542 requires TEA to provide information about individualized education program (IEP) facilitation as a mechanism to dispute resolution between school districts and parents. The information provided to parents must be in written or electronic form and specifies that IEP facilitation is an alternative dispute resolution method. School districts that choose to use IEP facilitation must provide this information to parents as well. IEP facilitation participating districts have the discretion to use independent contractors, district employees or	Favorable Evaluated by: Nena Chima 512-763-0031 Nena@texaslsg.org

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	for students with disabilities, including individualized education program facilitation.		other qualified facilitators to resolve disputes at no cost to the parents. Further, the use of an alternative dispute resolution by a facilitator is voluntary for all parties involved. This bill makes regulatory provisions for IEP facilitation projects and admission, review, and dismissal committee meetings for disputes; it outlines how the project must comply with the provisions.	
SB 1114 By Sen. Whitmire, et al. (Rep. Herrero)	Relating to the prosecution of certain misdemeanor offenses committed by children and to school district law enforcement.	Criminal Jurisprudence	<p>SB 1114 helps to address the school-to-prison pipeline and reduces the criminalization of children for minor infractions of school rules. This bill requires a law enforcement officer who issues a citation or complaint for conduct by a child 12 or older that is alleged to have occurred on school property including district-owned vehicles, to submit an offense report to the court. A statement by a witness and a victim of the alleged conduct must also be submitted to the court. An attorney representing the state may not proceed in a trial unless this report has been submitted and may not be filed for a child under the age of 12.</p> <p>This bill requires a court to dismiss a truancy related complaint that does not comply with statutory referral and filing requirements. A school district must specify in their code of conduct the circumstances in which a student may be removed from a district owned vehicle such as a school bus. The school police chief may <i>only</i> report to the superintendent.</p> <p>SB 1114 prohibits the issuance of a warrant for arrest of a person under 17 for a Class C misdemeanor, and exempts primary or secondary students from being criminally charged with disruption of classes or transportation. It also authorizes the referral of a child accused of a Class C misdemeanor other than a traffic offense to a first offender program and providing notification to a parent or guardian.</p>	Favorable Evaluated by: Muna Javaid 512-763-0031 Muna@texaslsg.org
SB 34 By Sen. Zaffirini (Rep. Naishtat)	Relating to the administration of psychoactive medications to persons receiving services in certain facilities.	Public Health	<p>HB 1739 strengthens oversight and promotes best care practices for patients in residential care facilities regarding the use of and right-of-refusal for psychoactive medications.</p> <p>HB 1739 promotes informed consent by ensuring that patients or guardians understand the course of treatment including potential risks and side effects. For patients lacking decision-making capacity, a court order to authorize treatment must be issued before a physician can administer psychoactive medications. HB 1739 ensures due process protection for patients in residential care facilities by allowing the right to appeal the court’s determination on the administration of psychoactive medications.</p> <p>Currently, there are <i>no</i> statutory guidelines for the administration of psychoactive medications for patients in residential care facilities. This bill extends the same individual rights protections given to patients of nursing homes and state hospitals by allowing patients in residential care the right to refuse psychoactive medications.</p>	Favorable Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org
SB 1106 By Sen. Schwertner, et al. (Davis, John)	Relating to the use of maximum allowable cost lists under a Medicaid managed care pharmacy benefit plan.	Public Health	<p>SB 1106 provides transparency and consistency regarding reimbursement rates for pharmacies that participate in the Medicaid Managed Care program. This bill establishes procedures regarding the use of Maximum Allowable Cost (MAC) list and requires information to be provided to contracted pharmacies with information that is used to determine drug prices and reimbursement rates. SB 1106 allows a network pharmacy provider to challenge MAC pricing and establishes a process for approval or denial of these claims. This bill requires the MAC list to be updated every seven days to account for price fluctuations. SB 1106 ensures fair reimbursements to these pharmacies that provides and dispenses medications to Medicaid patients.</p> <p>Currently, there is no transparency or oversight regarding the calculation process that determines MAC prices.</p>	Favorable Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org

<p>SB 632 By Sen. Carona (Rep. Lozano)</p>	<p>Relating to contracts between optometrists or therapeutic optometrists and health maintenance organizations or insurers.</p>	<p>Insurance</p>	<p>SB 672 prohibits contracts between insurers and an optometrist, or therapeutic optometrist, from requiring a discount or placing a cap on fees for services or products not covered by the insurance plan. SB 672 could result in increases consumer costs for products and services, including eye exams and eyewear.</p>	<p>Unfavorable Evaluated by: Laura Welch 512-763-0031 Laura@texaslsg.org</p>
<p>SB 1390 By Sen. Davis, et al. (Rep. Davis, John)</p>	<p>Relating to an audit by the state auditor of the Texas Enterprise Fund.</p>	<p>Economic & Small Business Development</p>	<p>SB 1390 would require the State Auditor to audit the Texas Enterprise Fund (TEF). The audit will determine whether money in the fund is disbursed in compliance with the Government Code, monitored to determine whether the persons or entities awarded the fund comply with applicable requirements and relevant standards, and maintained in a manner that provides adequate financial control systems to ensure accountability for the proper use of disbursed money. This bill would allow the State Auditor to assess the Enterprise Fund's efficiency and effectiveness. The auditor will prepare and file the audit report that may contain a synopsis of grant agreements that have been amended to reduce job creation goals established in the original agreement or to extend the time allotted to achieve job creation goals.</p>	<p>Favorable Evaluated by: Yvonne Okonkwo 512-763-0031 Yvonne@Texaslsg.org</p>
<p>SB 1596 By Sen. Zaffirini (Rep. Rodriguez, Eddie)</p>	<p>Relating to the annexation by a municipality of territory of an emergency services district.</p>	<p>County Affairs</p>	<p>SB 1596 clarifies current law requiring cities to provide full emergency services following an annexation. This bill prevents the reduction of emergency services and ensures residents receive the same or better level of fire, police protection, and emergency medical services as they did before annexation. It also ensures that residents in an annexed area are not paying more taxes for reduced emergency services.</p>	<p>Favorable Evaluated by: Han Bui 512-763-0031 Han@texaslsg.org</p>
<p>SB 1356 By Sen. Van de Putte (Rep. McClendon)</p>	<p>Relating to requiring trauma-informed care training for certain staff of county and state juvenile facilities.</p>	<p>Corrections</p>	<p>SB 1356 provides trauma informed care training for probation officers, juvenile supervision officers, and court-supervised community personnel. Trauma Informed care is a methodology used to engage individuals who have suffered severe trauma, such as abuse, neglect and sexual exploitation. Data confirms that nearly half of all adolescents involved in the juvenile justice system have a history of trauma, which deeply affects their physical, mental, and emotional capacity. This bill seeks to educate direct care providers, so that they can address the distinctive problems of children in the juvenile justice system.</p>	<p>Favorable Evaluated by: Natalie R. Powell 512-763-0031 Natalie@texaslsg.org</p>