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# HOUSE RESEARCH ORGANIZATION

## daily floor report

Tuesday, May 02, 2017  
85th Legislature, Number 61  
The House convenes at 10 a.m.  
Part One

Sixty-nine bills are on the daily calendar for second-reading consideration today. The bills analyzed or digested in Part One of today's *Daily Floor Report* are listed on the following page.



Dwayne Bohac  
Chairman  
85(R) - 61

# HOUSE RESEARCH ORGANIZATION

Daily Floor Report

Tuesday, May 02, 2017

85th Legislature, Number 61

Part 1

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**SUBJECT:** Pension forfeiture for elected officers convicted of certain felonies

**COMMITTEE:** General Investigating and Ethics — committee substitute recommended

**VOTE:** 7 ayes — S. Davis, Moody, Capriglione, Nevárez, Price, Shine, Turner  
0 nays

**WITNESSES:** For — Dave Jones, Clean Elections Texas; Carol Birch, Public Citizen Texas; David Kazen, Texas Family Law Foundation; Michael Openshaw; (*Registered, but did not testify:* JC Dufresne, Common Cause Texas; Tony McDonald, Empower Texans; Craig McDonald, Texans for Public Justice; Lon Burnam)  
  
Against — None  
  
On — Anu Anumeha, State Pension Review Board; (*Registered, but did not testify:* Joanne Richards, Common Ground for Texans)

**DIGEST:** CSHB 500 would prohibit government pensions from being paid to elected state and local officials convicted of certain felonies arising from their duties in public office. For any felony conviction, the bill would require a legislator, governor, or statewide elected official to vacate the official's office on the date the conviction became final.

**Pension payments.** The bill's pension forfeiture requirements would apply to legislators, judges, other state elected officials, and officials elected to positions in political subdivisions such as cities and counties. A qualifying felony would be one involving bribery; embezzlement, extortion, or theft of public money; perjury; coercion of a public servant or voter; tampering with a governmental record; misuse of official information; conspiracy to commit any of the preceding offenses; or abuse of official capacity. Upon conviction, the trial judge would be required to make an affirmative finding of fact that the defendant was a member of the elected class of the Employees Retirement System of Texas or became eligible for a public retirement system wholly or in part due to the person's elected office.

The court would be required to notify the retirement system of the conviction. The governmental entity where the defendant served also would be required to notify the retirement system within 30 days of the conviction.

Upon receipt of the notice or a similar notice from a federal court or U.S. attorney, the retirement system would be required to suspend retirement pay to the member. Members would be entitled to a refund of their contributions and earned interest.

**Community property and alternate payees.** A court could, in the same manner as in a divorce or annulment proceeding, award to the member's spouse all or part of the community property interest in the retirement annuity forfeited by the member. If the member's annuity had been subject to a written marital property agreement before the member committed the offense, a court would be required to award the forfeited annuity to the spouse as provided in the agreement. Such an award would be the separate property of that spouse and could not be converted to community property.

If the member's spouse was convicted as a party to the felony, the spouse would forfeit the member's retirement annuity and service retirement contributions to the same extent as the member.

Benefits payable to an alternate payee such as a former spouse, child, or other dependent under a qualified domestic relations order established before the bill's effective date would not be affected. Any refund of the member's contributions and earned interest would be subject to awards made to a former spouse in a divorce or child support order.

**Overtured conviction.** Should a conviction be overturned on appeal or the defendant pardoned or declared innocent, the individual would be entitled to resumed annuity payments plus an amount equal to the accrued total of payments and earned interest on withheld amounts.

**Effective date.** This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it

would take effect September 1, 2017, and would apply only to an official who committed a qualifying felony offense on or after that date.

**SUPPORTERS  
SAY:**

CSHB 500 would protect the public's trust in state and local governments by prohibiting a public retirement system from paying pensions to elected officials convicted of certain felony crimes related to their elective offices. State and local elected officials should not be allowed to receive public compensation in the form of a retirement benefit after being sentenced for a crime such as bribery or theft of public money.

The bill would sufficiently protect innocent spouses by allowing a court to award all or part of the retirement benefit subject to forfeiture. Retirement benefits also would be shielded for ex-spouses and children who had a court-approved domestic relations order prior to the bill's effective date.

The requirement for a state elected official to vacate office upon a final felony conviction would draw a bright line that is currently missing in state law. While a convicted felon is ineligible to run for re-election, the Texas Constitution and statutes are silent on what may be done for the duration of their terms. Allowing a convicted felon to remain in office corrodes the public's trust in state government. The expulsion requirement would not apply to legislators or state officers who were under indictment, appealing a conviction, or undergoing deferred adjudication. Nor would it apply to misdemeanor convictions, allowing officeholders to retain their elected positions after being convicted of lower-level offenses.

**OPPONENTS  
SAY:**

CSHB 500 should be amended to require a final conviction before taking away an elected official's pension. This would prevent retirement systems from possibly having to calculate and refund benefits if an official's conviction was overturned on appeal.

More broadly, pension forfeiture laws are unjust because they represent an added penalty beyond the appropriate punishment determined by the criminal justice system. Pensions are benefits earned by officials, whose families may be relying on the income. The loss of this benefit would disproportionately impact lower-earning officials relative to those with greater economic means later in life.

Enacting this bill also could open the door to future legislation removing pensions for other crimes and other classes of employees.

NOTES: A companion bill, SB 500 by V. Taylor, was approved by the Senate on February 8 and referred to the House Committee on General Investigating and Ethics on March 7.

- SUBJECT:** Expanding disclosure requirements in state ethics reporting
- COMMITTEE:** General Investigating and Ethics — committee substitute recommended
- VOTE:** 6 ayes — S. Davis, Moody, Capriglione, Price, Shine, Turner  
0 nays  
1 absent — Nevárez
- WITNESSES:** For — Dave Jones, Clean Elections Texas; (*Registered, but did not testify:* Tony McDonald and Michael Sullivan, Empower Texans; Grace Chimene, League of Women Voters of Texas; Donnis Baggett, Texas Press Association; Michael Openshaw)  
  
Against — (*Registered, but did not testify:* Craig McDonald, Texans for Public Justice)  
  
On — JC Dufresne, Common Cause Texas; Carol Birch, Public Citizen Texas; (*Registered, but did not testify:* Joanne Richards, Common Ground for Texans; Lon Burnam)
- BACKGROUND:** Government Code, ch. 572 requires members of the Legislature, statewide elected officials, judges, district attorneys, political candidates, and state party chairs to file an annual personal financial statement with the Texas Ethics Commission. The statements require disclosure of income sources, business and real estate interests, investments and earnings, and certain loans and gifts.
- DIGEST:** CSHB 501 would expand the financial disclosure requirements for legislators and other officials to include certain contracts with governmental entities, including those for bond counsel services and referral fees.  
  
**Contracts.** The bill would require filers to disclose certain contracts with a governmental entity or a person who contracted with a governmental entity if the filer, his or her spouse or dependent child, or any business

entity for which any of those individuals had at least a 50 percent ownership interest was a party. A governmental entity would include the state, a political subdivision, or an agency or department of the state or a political subdivision. Disclosure would not be required for an employment contract between a school district or charter school and an employee.

If the aggregate cost of goods or services sold under one or more written contracts exceeded \$10,000 in the year covered by the report, the filer would have to identify each contract in the amount of \$2,500 or more and parties to the contract.

**Bond counsel.** If the filer was a member of the Legislature and provided bond counsel services to an issuer covered by the Public Security Procedures Act, the following information would be required:

- the name of the issuer and the date and amount of the issuances; and
- the amount and reporting category of fees paid to the filer or the filer's firm.

**Referral fees.** A filer who made or received any referral fee would be required to report:

- the date the referral was made or received;
- the style of the case referred, if applicable; and
- the percentage of the fee that was agreed to between the parties or, if the fee was not a percentage, the agreed fee amount.

**Effective date.** The bill would take effect January 8, 2019, and would apply only to a financial statement filed on or after that date.

SUPPORTERS  
SAY:

CSHB 501 would expand transparency by requiring members of the Legislature and others who file personal financial statements with the Texas Ethics Commission to disclose contracts with governmental entities entered into by themselves, their spouses, or their dependent children. Disclosure of contracts for goods and services, including bond counsel services and referral fees, would alert the public to potential conflicts of



interest involving legislators and other elected officials. The bill would not prohibit elected officials or political candidates from entering into these contracts but would require the arrangements to be publicly disclosed.

The bill would include disclosure requirements related to referral fees for any type of services, not just legal services, to address criticism of previous proposals that the legal profession was being singled out for disclosure.

Having an earlier effective date, as some have suggested, could prompt some legislators to retire before their terms expired to avoid the change in requirements. This could result in special elections at taxpayer expense.

**OPPONENTS  
SAY:**

CSHB 501 would fail to provide meaningful disclosure of public officials' business interests by setting the threshold for disclosing a business interest at 50 percent. An elected official could have a much smaller stake in a valuable business that would constitute a substantial financial interest. Legislators are in a position to enact laws that benefit certain businesses, and the public should be aware if there are any in which they have a substantial interest. Reducing the threshold for disclosure to 5 percent would provide meaningful and relevant information needed to highlight potential conflicts of interest.

The bill's effective date of January 8, 2019, means that only contracts legislators enter into after that date would have to be disclosed on their personal financial statements, which are due May 1 of each year. The bill should be made effective September 1, 2017, so the public could learn of legislators' contracts with governmental entities before the beginning of the 2019 legislative session.

**NOTES:**

A companion bill, SB 501 by V. Taylor, was approved by the Senate on February 8 and referred to the House Committee on General Investigating and Ethics on March 7.

SUBJECT: Restricting lobbyist expenditures from certain political contributions

COMMITTEE: General Investigating and Ethics — committee substitute recommended

VOTE: 7 ayes — S. Davis, Moody, Capriglione, Nevárez, Price, Shine, Turner  
0 nays

WITNESSES: For — Dave Jones, Clean Elections Texas; (*Registered, but did not testify*: JC Dufresne, Common Cause Texas; Joanne Richards, Common Ground for Texans; Tony McDonald and Michael Sullivan, Empower Texans; Grace Chimene, League of Women Voters of Texas; Carol Birch, Public Citizen Texas; Craig McDonald, Texans for Public Justice; Lon Burnam; Dan Eckam; Michael Openshaw)

Against — None

On — (*Registered, but did not testify*: Ashley Fischer, Texas Secretary of State)

BACKGROUND: Government Code, ch. 305 requires lobbyists to register and file activity reports with the Texas Ethics Commission.

DIGEST: CSHB 505 would enact new limits on the use of campaign funds by a former officeholder or candidate who became a registered lobbyist.

A registered lobbyist could not make certain expenditures before the second anniversary of the end date of the last term for which the person was elected. During this two-year period, the lobbyist could not knowingly make or authorize a political contribution to a candidate, officeholder, or political committee from political contributions the person had accepted as a candidate or officeholder.

The bill would take effect January 8, 2019, and would apply to an expenditure made on or after that date, regardless of when the funds were accepted.

**SUPPORTERS SAY:** CSHB 505 would establish a two-year cooling off period before former elected officials could use their campaign war chests for political contributions as a lobbyist. This two-year political contribution ban would help slow the revolving door between elected officials and the lobby.

**OPPONENTS SAY:** CSHB 505 lacks a strong mechanism to enforce the two-year ban on former officeholders using campaign contributions to support their lobby activities. The bill should make violating the ban a class A misdemeanor (up to one year in jail and/or a maximum fine of \$4,000). It also should take effect earlier so that legislators who became lobbyists after the end of their current terms had to abide by the political spending restrictions.

**NOTES:** A companion bill, SB 505 by V. Taylor, was approved by the Senate on February 15 and referred to the House Committee on General Investigating and Ethics on March 7.

SUBJECT: Authorizing HMOs to contract with certain entities, including PBMs

COMMITTEE: Insurance — committee substitute recommended

VOTE: 9 ayes — Phillips, Muñoz, R. Anderson, Gooden, Oliverson, Paul,  
Sanford, Turner, Vo

0 nays

WITNESSES: For — David Gonzales, Alliance of Independent Pharmacies of Texas;  
Jamie Dudensing, Texas Association of Health Plans (*Registered, but did  
not testify*: Dan Posey, Baylor Scott & White Health; Patricia Kolodzey,  
Blue Cross Blue Shield; Mindy Ellmer, Pharmaceutical Care Management  
Association; John Heal, Pharmacy Buying Association d/b/a Texas  
TrueCare Pharmacies; Wendy Wilson, Prime Therapeutics; Amanda  
Martin, Texas Association of Business; Duane Galligher, Texas  
Independent Pharmacies Association; Justin Hudman, Texas Pharmacy  
Association; Kandice Sanaie, UnitedHealthcare)

Against — None

On — (*Registered, but did not testify*: Jamie Walker, Texas Department of  
Insurance)

BACKGROUND: A health maintenance organization (HMO) provides for or arranges  
prepaid health insurance plans in which providers are under contract with  
the organization to provide health care services.

Insurance Code, sec. 4151.151, which addresses regulation of third-party  
administrators, defines a "pharmacy benefit manager" to mean a person,  
other than a pharmacy or pharmacist, who acts as an administrator in  
connection with pharmacy benefits.

Insurance Code, sec. 1272.001 defines a "delegated entity" as an entity,  
other than an HMO authorized by the Texas Health Maintenance  
Organization Act in Insurance Code, ch. 843, that accepts responsibility  
for performing a function on behalf of the HMO, and that either by itself

or through subcontracts with one or more entities, arranges or provides medical or health care to an enrollee in exchange for a predetermined payment on a prospective basis.

A "delegated network" means a delegated entity that assumes total financial risk for more than one of the following health care services: medical care, hospital or other institutional services, or prescription drugs. A "delegated third party" means a third party other than a delegated entity that contracts with a delegated entity, either directly or through another third party for certain functions.

DIGEST:

CSHB 3218 would allow a health maintenance organization (HMO) to provide or arrange for health care services through providers or groups of providers who were under contract with an entity that was under contract with the HMO to provide a network of providers. This subcontract would be allowed only if the contract between the entity and the health maintenance organization expressly set forth that it:

- did not limit the HMO's authority or responsibility, including financial responsibility, to comply with any regulatory requirement that applied to a function performed by the entity; and
- required the entity to comply with all regulatory requirements that applied to a function the entity performed.

Notwithstanding any other law, an HMO and the entity with which it contracted would be subject to laws regulating delegation of certain functions by HMOs in Insurance Code, ch. 1272 as if the entity were a delegated entity. The bill would provide exceptions for:

- a delegated network;
- a delegated third party;
- an individual physician; or
- a group of employed physicians practicing medicine under one federal tax identification number, whose total claims paid to providers outside the group made up less than 20 percent of the group's total collected annual revenue.

The bill also would exempt an entity that did not assume risk and the HMO with which it contracted from the following provisions of the Insurance Code related to HMO delegation:

- the solvency compliance monitoring plan;
- the financial solvency examination by the Texas Commissioner of Insurance;
- the contractual requirement related to proof of financial viability; and
- reserve requirements.

The bill would take effect September 1, 2017.

**SUPPORTERS  
SAY:**

CSHB 3218 would clarify that HMOs may contract with pharmacy benefit managers (PBMs). It has been a long-standing industry practice for HMO health plans to contract with PBMs to access pharmacy networks rather than contracting directly with each provider. PBMs act as an administrator in connection with pharmacy benefits and can process prescription drug claims on behalf of a health insurance plan.

The bill would increase oversight of PBMs and ensure HMOs were held accountable for their contractors. The bill also would require PBMs to follow the same laws as HMOs, including laws regarding balance billing, which would increase patient and provider protections. Making these changes would increase accountability and transparency for contracts between HMOs and PBMs.

The bill would apply only to HMOs to address a specific concern from the Texas Department of Insurance regarding PBMs contracting with these insurance plans. Statute already defines "pharmacy benefit managers."

**OPPONENTS  
SAY:**

CSHB 3218 should go further to define the role of PBMs in statute and to require them to be subject to the same contracting requirements as all health insurance carriers, not just HMOs.

**NOTES:**

A companion bill, SB 1413 by Schwertner, was approved by the Senate on April 26.

SUBJECT: Delegating death certification to attending physicians in certain counties

COMMITTEE: Criminal Jurisprudence — committee substitute recommended

VOTE: 6 ayes — Moody, Hunter, Gervin-Hawkins, Hefner, Lang, Wilson

0 nays

1 absent — Canales

WITNESSES: For — Jeffrey Barnard, Dallas County; (*Registered, but did not testify:* Melissa Shannon, Bexar County Commissioners Court; Kristina Brown, Counter Balance: ATX; Charles Reed, Dallas County Commissioners Court; Donna Warndof, Harris County; Bill Gravell, Justices of the Peace and Constables Association Of Texas; Mark Mendez, Tarrant County; Ender Reed, Texas Association of Counties; John Dahill, Texas Conference of Urban Counties; Fatima Mann, Texas Criminal Justice Coalition; Dan Finch, Texas Medical Association; Julie Wheeler, Travis County Commissioners Court)

Against — None

BACKGROUND: Code of Criminal Procedure, ch. 49, subch. B governs the duties and responsibilities of medical examiners.

DIGEST: CSHB 1285 would allow medical examiners to delegate death certification to certain physicians. After determining through an inquest that a person's death was due to natural causes, the medical examiner could, with the consent of the physician, delegate the authority to complete the medical certification for a person's death and to sign the certificate to the attending physician at the time of the person's death or to another physician was treating the person in the 12 months preceding the person's death.

The bill would apply only to counties with a population of more than 1 million (Bexar, Dallas, Harris, Tarrant, and Travis).

The bill would take effect September 1, 2017.

**SUPPORTERS  
SAY:**

CSHB 1285 would ease the administrative burden of investigating deaths that are not suspicious by allowing medical examiners in large counties to delegate authority for completing death certificates to attending physicians. The bill would apply only to natural deaths as determined by the medical examiner after an initial inquest. This would save counties money and avoid undue hardships for recently bereaved families.

The committee substitute would allow doctors to decline this delegation of authority for any reason, so it would not place an undue burden on those who did not wish to complete the certification of death.

**OPPONENTS  
SAY:**

No apparent opposition.

**NOTES:**

The committee substitute differs from the filed bill in that CSHB 1285 would require the attending physician's consent to receive delegation of death certification.

A companion bill, SB 335 by West, was referred to the Senate Criminal Justice Committee on January 30.



- SUBJECT:** Requiring oversight board to evaluate Chapter 313 agreements
- COMMITTEE:** Economic and Small Business Development — favorable, without amendment
- VOTE:** 8 ayes — Button, Vo, Bailes, Hinojosa, Leach, Metcalf, Ortega, Villalba  
0 nays  
1 absent — Deshotel
- WITNESSES:** For — (*Registered, but did not testify:* Rene Lara, Texas AFL-CIO; Cathy DeWitt, Texas Association of Business; Carlton Schwab, Texas Economic Development Council; Max Jones, The Greater Houston Partnership)  
  
Against — None
- BACKGROUND:** The Economic Incentive Oversight Board was created by the 84th Legislature in 2015 through enactment of HB 26 by Button to examine the effectiveness of this state's economic incentive programs. The board is authorized to examine programs and funds administered by the Office of the Governor, the comptroller, or the Department of Agriculture that provide monetary and tax incentives to business entities. Some observers have noted that this language does not allow the board to investigate Chapter 313 agreements, under which school districts negotiate temporary reductions on the appraised value of property in exchange for businesses locating certain investment projects in the district.
- DIGEST:** HB 3360 would require the Economic Incentive Oversight Board to examine the effectiveness, efficiency, and financial impact of Chapter 313 property tax incentives. The board would have to determine whether school districts and the comptroller were implementing these agreements to accomplish economic development purposes and in compliance with legislative intent.  
  
The bill would require the board to develop a performance matrix that established the economic performance indicators and metrics for

evaluating Chapter 313 agreements, and the comptroller would have to provide the board with information concerning these agreements upon request.

The bill also would require the board to develop a schedule for review of Chapter 313 agreements and make its findings and recommendations according to this schedule. The board would provide a school district or the comptroller with recommendations concerning Chapter 313 agreements upon request.

The board would be required to include a report of its findings and recommendations about the Chapter 313 property tax incentive program in a biennial report to the Legislature.

The bill would take effect on September 1, 2017.

SUBJECT: Adding CTE and workforce training to the mission of public education

COMMITTEE: Public Education — favorable, without amendment

VOTE: 11 ayes — Huberty, Bernal, Allen, Bohac, Deshotel, Dutton, Gooden,  
K. King, Koop, Meyer, VanDeaver

0 nays

WITNESSES: For — Joe Arnold, Texas Chemical Council, Texas Association of  
Manufacturers, BASF; (*Registered, but did not testify*: Michael Chatron,  
AGC Texas Building Branch; Jon Fisher, Associated Builders and  
Contractors of Texas; Daniel Womack, Dow Chemical Company; Traci  
Berry, Goodwill Central Texas; Katija Gruene, Green Party of Texas;  
Mike Meroney, Huntsman Corporation, BASF Corporation, Texas  
Workforce Coalition; Marlene Lobberecht, League of Women Voters of  
Texas; Annie Spilman, National Federation of Independent  
Business/Texas; Dwight Harris and Ted Melina Raab, Texas American  
Federation of Teachers; Shannon Noble, Texas Air Conditioning  
Contractors Association, Texas Industrial Vocational Association;  
Miranda Goodsheller, Texas Association of Business; Barry Haenisch,  
Texas Association of Community Schools; Lori Henning, Texas  
Association of Goodwills; Stephanie Simpson, Texas Association of  
Manufacturers; Amy Beneski, Texas Association of School  
Administrators; Grover Campbell, Texas Association of School Boards;  
Michael White, Texas Construction Association; Janna Lilly, Texas  
Council of Administrators of Special Education; Carlton Schwab, Texas  
Economic Development Council; Jim Reaves, Texas Farm Bureau; Jeff  
Stokes, Texas Nursery and Landscape Association; Ellen Arnold, Texas  
PTA; Colby Nichols, Texas Rural Education Association; Dee Carney,  
Texas School Alliance; James Thurston, United Ways of Texas; Thomas  
Parkinson; Kimberly Saldivar)

Against — None

On — Greg Vaughn, Texas Association of Workforce Boards; Quentin  
Suffren, Texas Education Agency

**BACKGROUND:** Education Code, ch. 4 describes the mission, objectives, and goals of public education. Objective 4 of public education states that “A well-balanced and appropriate curriculum will be provided to all students.”

Some observers suggest that career and technology education and workforce training play a pivotal role in the state's education system and should be included among the objectives of public education.

**DIGEST:** HB 136 would add the following statement to Objective 4: "Through that curriculum, students will be prepared to succeed in a variety of postsecondary activities, including employment, workforce training, and enrollment in institutions of higher education."

The bill also would add Objective 11, requiring the State Board of Education, the Texas Education Agency, and the commissioner of education to assist school districts and charter schools in providing career and technology education and effective workforce training opportunities to students.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2017.

- SUBJECT:** Allowing certain counties to increase junkyard license fees
- COMMITTEE:** County Affairs — committee substitute recommended
- VOTE:** 7 ayes — Coleman, Springer, Hunter, Neave, Roberts, Thierry, Uresti  
2 nays — Biedermann, Stickland
- WITNESSES:** For — Donald Lee, Texas Conference of Urban Counties  
Against — None
- BACKGROUND:** Transportation Code, sec. 396.041 authorizes the commissioners court of a county to adopt an ordinance to require a junkyard or automotive wrecking and salvage yard in operation after June 1, 1987, to be licensed by the county. The ordinance may impose a license issue or renewal fee of up to \$150 in Tarrant County or up to \$500 in Harris County. Other counties may impose a fee of \$25.
- DIGEST:** CSHB 3997 would allow the commissioners court of a county located on the Texas-Mexico border with certain population requirements (Webb County) to adopt an ordinance to impose a fee of no more than \$150 for a license to operate a junkyard or automotive wrecking and salvage yard.  
  
The bill would take effect September 1, 2017.
- SUPPORTERS SAY:** CSHB 3997 would allow Webb County to increase fees for a license to operate a junkyard or automotive wreckage and salvage yard. Currently, the county may levy a fee of only \$25 to issue or reissue a license. This fee does not cover the administrative costs for operating a wrecking and salvage yard enforcement program in the quickly growing county. Because the county currently has to subsidize the program with property taxes to make up the difference, the bill would be a relief to local taxpayers. CSHB 3997 would solve a local problem by allowing for the increase of the junkyard license fee as the commissioners court of Webb County found necessary.

OPPONENTS  
SAY:

CSHB 3997 would burden certain businesses in Webb County by allowing the commissioners court to impose greater fees for junkyard and wrecking yard licenses. The fee would be another regulation on these businesses and would limit their ability to grow.

- SUBJECT:** Allowing a charitable raffle ticket to be awarded as a bingo prize
- COMMITTEE:** Licensing and Administrative Procedures — favorable, without amendment
- VOTE:** 7 ayes — Kuempel, Frullo, Geren, Goldman, Herrero, Paddie, S. Thompson
- 0 nays
- 2 absent — Guillen, Hernandez
- WITNESSES:** For — Will Martin, American Legion Department of Texas; (*Registered, but did not testify*: Steve Bresnen, Bingo Interest Group; Angela Hale, Conservative Texans for Charitable Bingo; Tom Stewart, Texas Charity Advocates; Roy Grona, Texas VFW)
- Against — None
- On — (*Registered, but did not testify*: Alfonso Royal III; Texas Lottery Commission)
- BACKGROUND:** Texas Attorney General Opinion JC-480 (2002) held that because it was not expressly authorized in either the Bingo Enabling Act (Occupations Code, ch. 2001) or the Charitable Raffle Enabling Act (Occupations Code, ch. 2002), the award of a raffle ticket as a bingo prize did not fall within the defenses to gambling offenses set forth in Penal Code, sec. 47.09.
- Some observers have noted that explicitly allowing charitable raffle tickets to be awarded as bingo prizes would be likely to increase revenue to charitable bingo operations and the charities they support.
- DIGEST:** HB 874 would add a provision to the Bingo Enabling Act allowing a licensed authorized organization to award as a bingo prize a ticket for a charitable raffle conducted under the Charitable Raffle Enabling Act. The bingo prize amount would be the cost to purchase the ticket to enter the charitable raffle.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2017.



SUBJECT: Notifying foster children of higher education tuition and fee waivers

COMMITTEE: Human Services — favorable, without amendment

VOTE: 7 ayes — Raymond, Frank, Keough, Miller, Minjarez, Rose, Swanson

0 nays

2 absent — Klick, Wu

WITNESSES: For — (*Registered but did not testify*: Will Francis, National Association of Social Workers-Texas Chapter; Kate Murphy, Texans Care for Children; Kathryn Freeman, Texas Baptists Christian Life Commission; Jennifer Allmon, Texas Catholic Conference of Bishops; Sarah Crockett, Texas CASA; Joshua Houston, Texas Impact; Dimple Patel, TexProtects; James Thurston, United Ways of Texas; Knox Kimberly, Upbring; Cecilia Wood)

Against — None

On — Elizabeth "Liz" Kromrei, Department of Family and Protective Services; Jerel Booker, Texas Higher Education Coordinating Board

BACKGROUND: Education Code, sec. 54.366 exempts certain children who have been under the conservatorship of the Department of Family and Protective Services from paying tuition and fees for higher education, including dual-credit courses or other courses where high school students earn joint high school and college credit. Sec. 54.367 exempts certain children who were adopted and formerly in foster care from paying tuition and fees charged by an institution of higher education, including for dual credit courses for high school students.

Government Code, sec. 531.055 requires each health and human services agency, the Texas Correctional Office on Offenders with Medical or Mental Impairments, Texas Department of Criminal Justice, Texas Department of Housing and Community Affairs, Texas Workforce Commission, and the Texas Juvenile Justice Department to enter into a

joint memorandum of understanding to promote a system of local-level interagency staffing groups to coordinate services for persons needing multiagency services.

**DIGEST:** HB 928 would require the Department of Family and Protective Services (DFPS) representative of an interagency community resource coordination group to inform other members of the group that higher education tuition and fee waivers were available to children in foster care or who were adopted out of the foster care system.

The bill also would require a DFPS representative of the group to collaborate with high school superintendents and counselors in districts served by the group to identify foster and adopted children who were eligible for higher education tuition and fee waivers. After identifying eligible children, the DFPS representative would have to assist the child's transition to an institution of higher education by:

- assisting with the completion of applications for admission or financial aid;
- arranging and accompanying the child on campus visits;
- assisting in researching and applying for private or institution-sponsored scholarships;
- identifying whether the child was a candidate for appointment to a military academy; and
- assisting the child in registering and preparing for college entrance examinations, including arranging for the payment of any examination fees.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2017.

**SUPPORTERS SAY:** HB 928 would increase awareness of Texas' tuition and fee waiver program for eligible foster children. The program is underutilized because many foster children do not know that the program exists or lack guidance throughout the program process.

Requiring the Department of Family and Protective Services (DFPS) to identify and assist eligible foster youth with the college application process could prevent members of this vulnerable population from falling through the cracks and encourage more children to take advantage of tuition and fee waivers they are entitled to under current law.

**OPPONENTS  
SAY:**

Although HB 928 is well intentioned, the bill could increase the financial and administrative burden for DFPS. The department may lack sufficient staffing resources to collaborate with more than 1,200 school districts' superintendents and school counselors in Texas.

Requiring DFPS to assist adopted children who formerly were in foster care with the college application process is unnecessary. That role could be filled by an adopted child's parents. Attempts by DFPS to facilitate an adopted child's college application process could interfere with the privacy of the child's family.

**NOTES:**

According to the Legislative Budget Board's fiscal note, HB 928 would have a negative impact of \$2.1 million in general revenue related funds in fiscal 2018-19 and \$1 million each year thereafter. It is assumed DFPS would require 12 additional community engagement specialist positions to coordinate with the 1,247 school districts across the state and to provide subsequent transition services to eligible foster care and adopted children.

SUBJECT: Expanding program allowing overseas military to vote by e-ballot

COMMITTEE: Elections — committee substitute recommended

VOTE: 6 ayes — Laubenberg, Israel, R. Anderson, Fallon, Reynolds, Swanson

0 nays

1 absent — Larson

WITNESSES: For — Jacquelyn Callanen, Bexar County; Morgan Little, Texas Coalition of Veterans Organizations; Glen Maxey, Texas Democratic Party; Bill Fairbrother, TRCCA; (*Registered, but did not testify*); Melissa Shannon, County of Bexar Commissioners Court; Charles Reed, Dallas County Commissioners Court; Ed Johnson, Harris County Clerk's Office; Cinde Weatherby, League of Women Voters of Texas; Juan Antonio Flores, San Antonio Chamber of Commerce; Mark Mendez, Tarrant County; Chris Davis and John Oldham, Texas Association of Elections Administrators; Donald Lee, Texas Conference of Urban Counties; Nikole Sturm, Travis County Green Party; Jacob Aronowitz, Young Active Labor Leaders; Elizabeth Garcia; Sacha Jacobson; Dyana Limon-Mercado)

Against — None

On — Alan Vera, Harris County Republican Party Ballot Security Committee; (*Registered, but did not testify*: Keith Ingram, Texas Secretary of State, Elections Division)

BACKGROUND: In 2013, through the enactment of HB 1129 by White, the 83rd Legislature established a pilot program allowing overseas active duty military personnel eligible for hostile fire pay to return an early voting ballot by email. The law requires the secretary of state to determine a number of willing counties that wish to participate in the program and have the appropriate technological capabilities.

The pilot program was extended for two years in 2015 and is scheduled to end on September 1, 2017. Some observers have suggested the program

be extended for the continued benefit of overseas active-duty personnel who might otherwise face challenges voting by absentee ballot.

**DIGEST:** CSHB 1414 would extend the program allowing certain overseas military members to vote by email until September 1, 2021, and remove its designation as a pilot program. The bill would allow the secretary of state to expand the program to any county that desired to participate and had the appropriate technological capabilities.

By January 1, 2021, the secretary of state would file a report with the Legislature containing recommendations about the program and suggestions for making it permanent.

The bill would take immediate effect if finally passed by a two-thirds vote of the membership of each house. Otherwise, it would take effect September 1, 2017.

**NOTES:** A companion bill, SB 752 by Campbell, was approved by the Senate on April 19 and referred to the House Committee on Elections on April 28.