

The Texas A&M University System



***Cumulative
End of Session
Report***
(thru 3rd Called Special Session)

Office of Governmental Relations

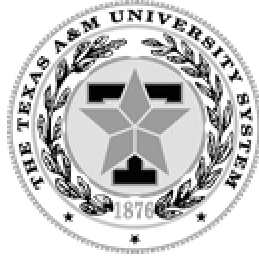


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PREFACE

Each legislative session provides its own challenges and opportunities, and especially so for institutions and agencies whose base funding and public policy guidance depend on its outcomes. This session proved to be no different. The Texas A&M University System and its member institutions submitted an aggressive set of requests. In order to earn legislative support this session, the operative principles were efficiency and prioritization of core services. A&M System institutions and all of higher education had to demonstrate to elected policymakers that they were prepared to streamline and manage their operations prudently in order to earn legislative support.

Although each proposed Act or Bill is important, the appropriations process demands extraordinary attention and involvement at the highest level. Beginning in the spring of the year preceding the Session, each agency and institution of higher education is required to prepare a detailed Legislative Appropriations Request (LAR) setting forth its resource needs and service plans for the next biennium. Then, staff of the Legislative Budget Board (LBB) and Governor's Office of Budget and Planning (GOBP) conduct LAR Hearings during the summer. Formal presentations of budget requests are made early in the session before the House and Senate budget committees; another opportunity for testimony before each committee is provided mid-session. Then each committee "marks up" and thereby prepares its version of the bill which is reported to the full House and Senate, respectively. After each chamber adopts its bill, a Conference Committee is appointed to reconcile differences and draft a single bill for House and Senate consideration. Finally, assuming both houses act favorably on the Conference Committee's Report, the legislatively adopted General Appropriations Act (GAA) is sent to the governor for signature and/or veto. No other legislative activity commands so much focus and energy from the Chancellor, the CEOs, and the governmental relations staff. Because the issues are complex, the stakes are high, and time is constrained, the appropriations process is intense.

Because the programs and services of A&M System institutions span the state geographically and programmatically, they are impacted by an extensive range and number of substantive legislative bills. Each one must be analyzed and tracked closely throughout the process; many require preparation and delivery of formal testimony and/or collaborative interaction with the Member(s) to effect changes due to their impact on system or institutions' operations. And, all this must be done under strict deadlines.

The distinct personality and dynamic of each session emerge from the approach taken by the leadership and Members in addressing that session's key appropriations and legislative issues. Because appropriations and legislative issues interact and impact one another, and the interests of Members, the legislative process is highly dynamic. Through

close and timely involvement, opportunities and risks arise for our institutions. Our challenge is to respond and propose timely so that Members have the information they need to address our institutions' needs. This session the budget shortfall was the dominating issue; therefore, our chief challenge was to furnish timely information that demonstrated our institutions' prudent and judicious use of state resources. As the following Tables will indicate, given the exigent circumstances facing the state this session, A&M System institutions on the whole fared as well as reasonably could be expected.

The purpose of this report is to provide a record of the major outcomes of the Regular and first two Called Sessions of the 78th Legislature, with particular attention to their impacts on the Texas A&M System and its institutions.

SESSION OVERVIEW

This was the first legislative session since Reconstruction in which every statewide office and the majority of seats of both legislative houses were held by Republicans. It was also the first session in many years to open under the shadow of such a large budget challenge, an estimated \$9.9 Billion shortfall. And even more significantly, this was the first session in memory in which faced with a major budget shortfall, pre-session commitments to hold the line on new taxes were matched by end of session actions. Consequently, many key issues were resolved through intense, last-minute negotiations that included the top three elected state leaders. The Legislature passed a budget which fulfilled the promises of “no new taxes” by Governor Rick Perry, Lt. Governor David Dewhurst, and Speaker Tom Craddick. The legislature also passed key bills on lawsuit reform and homeowner's insurance. The Governor also led lawmakers to set aside \$295 million from the state's Rainy Day Fund as a new “Enterprise Fund” designed to lure new companies to the state and stimulate the Texas economy. Identified potential revenue sources such as including a wider range of corporate entities within the corporate franchise tax never caught wind as business interests and lawmakers failed to find common ground. A GOP attempt to redraw Congressional district lines failed in the regular session due to a quorum-busting excursion to Oklahoma by 51 Democrats of the House. However, undaunted, Governor Perry soon set this item on the agenda for the 1st Called Session, followed by the 2nd Called Session, and at this date, has just announced the 3rd Called Session to address the redistricting issue, among others. The issue of reforming the state's public school finance system is expected to be the principal subject of another Called Session later this year or early in 2004.

Congressional Redistricting

Perhaps the most contentious issue of the 78th Legislature was a move to redraw Congressional districts, reportedly to increase the number of Republican seats in the state's 32-member Congressional delegation. With control over every statewide office and both chambers of the Legislature, many Republican Members felt the 17-15 Democratic majority in Congress did not correspond to the state's demonstrated voting patterns in the last several elections. Proponents said the legislature had failed to fulfill its constitutional responsibility by turning over to a panel of Federal Court judges the authority to draw the current map after lawmakers did not take up the issue during the 77th Legislative Session. Attorney General Greg Abbott ruled the Legislature may redistrict but was not required to do so. House Redistricting Committee meetings became somewhat contentious, marked by competing versions of maps, heated arguments among members, and impassioned public testimony. After considering several proposals, a committee substitute by Representative Phil King, R-Weatherford, was approved with the inclusion of an amendment authored by Representative Vilma Luna, D-Corpus Christi. Luna was in turn the only Democrat to vote favorably on the bill that was passed out by the committee.

Redistricting committee member Representative Richard Raymond, D-Laredo, proclaimed the entire process a violation of the Voting Rights Act and threatened a lawsuit. Nonetheless, since the map was expected to pass the newly Republican House, Democrats turned to House parliamentary rules for recourse. The Sunday before the Monday that the bill Congressional Redistricting bill was scheduled for debate in the House, 51 Democratic House members retired to Ardmore, Oklahoma, thereby breaking the 2/3's present requirement for a quorum. The Democrats remained absent and out of state until the deadline to hear the bill had passed. The group was given the moniker of the "Killer Ds," as the nationally publicized parliamentary move was reminiscent of the 66th Legislature, when 14 state Senators, known as the "Killer Bees", went AWOL in 1979 to break a quorum and prevent the vote on the creation of a second presidential primary. On June 21, Governor Perry announced that the 1st Called Session would convene on June 30, and the principal item in the Call was Congressional Redistricting.

Governmental Reorganization

Several bills proposing to reorganize state government were filed. Their stated purpose was to minimize the size of government, maximize efficiency and thereby effect savings to help bridge the gap in the \$9.9 Billion deficit projected by Comptroller Carole Keeton Strayhorn. Early on these bills were consolidated into SB 1952 and HB 2, a pair of omnibus bills containing a vast array of proposals ranging from expanding the governor's powers, to cost-saving measures, to legislators' personal pet projects. The 328-page HB 2, by Representative David Swinford, R-Amarillo, and the Chair of the House Government Reform Committee, died when the quorum-busting Democrats sat out the week during which the bill was slated for debate. Once they returned it was killed on a technicality and could not be resurrected due to House schedule deadlines. Senator Rodney Ellis, D-Houston and Chair of the Senate Government Organization Committee, resurrected the bill as SB 1952; it became significantly heavier after 50 amendments were added on the Senate floor. Many of the amendments were far-reaching and controversial. After SB 1952 passed the Senate, Chairman Swinford replaced the Senate bill with HB 2 before sending it to the House floor. Members in both chambers complained they didn't know exactly what they had voted on. After House approval of its version of SB 1952, a conference committee was appointed, but unable to reconcile differences, thus killing reorganization as a stand-alone piece of legislation. However, the most important cost-saving provisions were added to other bills, thereby salvaging the majority of the \$315 million in savings proposed by the original governmental reorganization bills.

More successfully, Representative Arlene Wohlgemuth, R-Burleson, proposed and passed HB 2292 to restructure Health and Human Services agencies. The measure, which was among the most hotly debated during the session, consolidated the operations of 12 existing agencies into five and reformed Medicaid and the Children's Health Insurance Program (CHIP). It is projected to save the state more than \$1 billion and eliminate thousands of state jobs.

School Finance

Many lawmakers came to Austin in January promising to do away with the controversial school finance plan dubbed by its critics as *Robin Hood*. Under current law, wealthy districts are required to "share" their tax dollars with poorer districts, pursuant to the Texas Supreme Court's

finding that every Texan was constitutionally entitled to equal access to education despite wide disparities in the value of taxable property wealth among Texas' school districts. From the beginning of the Session, Governor Perry and House Speaker Craddick considered the issue too complicated to take up during the 78th Regular Session, already dominated by the largest budget deficit in Texas history. Representative Kent Grusendorf, R-Arlington, authored HB 5 in the House to raise the amount of the state's contribution per pupil, while eliminating the current school finance system by 2005, thereby providing the template for the details of a new state tax plan to be worked out in a later special session. But Lt. Governor Dewhurst wanted to tackle the issue right away. Recognized for his consensus building throughout the session, Dewhurst led every member of the Senate to sign on as co-sponsors to SB 2, which proposed to exchange higher sales tax rates for lower property taxes. When the Senate received HB 5, Senate committee members substituted SB 2, proposing to change the state's tax structure. When the measure returned to the House, the lower chamber refused to concur and let the proposal die without scheduling a House hearing, thus ensuring public school finance would not be addressed during the regular legislative session. Originally, a Called Session on Public School Finance was slated for October, but calls for more time by the committees responsible for developing plans to overhaul the current system have led to projections for the session to convene in the spring of 2004. However, some observers contend the reason for the delay is more complicated and point out that a later special session would allow the filing deadline to pass before incumbents would have to vote on any new taxes that may be needed to support a total revamping of the public school finance system.

Lawsuit Reform

One of the most controversial and hard-fought issues of the 78th Legislative Session was lawsuit reform, also known as tort reform. The two primary legislative vehicles were **HB 4 and HJR 3, both by Representative Joe Nixon, R-Houston**, Chair of the House Civil Practices Committee. HJR 3 contains a proposed constitutional amendment which would authorize the Legislature to set caps on a variety of non-economic lawsuit damages after January 1, 2005. HB 4 was intended to overhaul jury awards and limit so-called "frivolous" lawsuits. The most contentious component of HB 4 related to the setting of caps on jury awards related to non-economic damages, such as pain and suffering, in medical malpractice cases. Proponents of the caps asserted that excessive jury awards were the primary cause of rapidly escalating medical malpractice insurance premiums for doctors. Opponents to HB 4 advocated on behalf of malpractice victims and invoked the principle that to impose legislatively a monetary cap unduly limited the rights of victims to redress in the courts. Both chambers seemed to agree that action should be taken; however, they differed in the details. The Senate preferred higher, less stringent award caps than the House. As originally passed by the House, HB 4 sought a hard cap of \$250,000 across the board. The end-result compromise, which was negotiated primarily by Senator Bill Ratliff, R-Mount Pleasant and Chair of the Senate State Affairs Committee, caps medical malpractice awards for non-economic damages at \$750,000 cumulatively, i.e. \$250,000 for physicians, \$250,000 for hospitals, and \$250,000 for nursing homes and other institutions. While the debate over the caps was a session-long point of contention, both sides agreed on aspects of the bill that make it harder for Texans to win product liability suits against companies and place new limits on the use of class-action lawsuits. HB 4 creates incentives for cases to be settled quickly by allowing plaintiffs or defendants to recover some of their legal costs if the opposing side rejects a reasonable offer and insists on taking the matter to trial.

Transportation

One of the most sweeping pieces of legislation signed by Governor Perry was the omnibus transportation bill, **HB 3588**. It addresses a wide range of transportation issues, including broadening the state's ability to build major roadways and forcing bad drivers to pay increased fees to fund trauma centers. Authored by **Representative Mike Krusee, R-Round Rock**, chair of the House Transportation Committee, and shepherded through the Senate by **Steve Ogden, R-Bryan**, chair of the Senate Infrastructure Development and Security Committee, the bill provides the funding mechanism for the governor's "Trans Texas Corridor," which provides for major roadway and railway cooperation and planning throughout the state. Under this new law, Texas motorists are projected to find substantial traffic relief as a result of the Texas Department of Transportation's statewide transportation plan which will address highway congestion. The bill carried some inadvertent controversy as it found its way to the Governor's desk. Due to a clerical error, the bill inadvertently shifted money out of the state's general revenue fund in 2005 rather than 2006. As a result Comptroller Strayhorn declared initially that she could not certify the budget because lawmakers had overspent by \$185.9 million. However, after consultation among the state's elected leaders, the governor resolved the concerns of the Comptroller by exercising his line-item veto power, and both the budget and the transportation bill became law.

Social Issues

The 78th Legislature also addressed a wide range of issues, including, new protections of fetuses, new waiting periods for elective abortions, banning the recognition of homosexual marriages, and enacting a required "moment of silence" to be observed by schoolchildren in Texas public schools. **SB 319, by Ken Armbrister, D-Victoria**, defines "an unborn child at every state of gestation from fertilization until birth" as a person. The measure creates a crucial legal distinction for both the bill's supporters and opponents. Supporters of the bill say it was necessary to allow criminal prosecutions for the killing or injuring of an unborn child, while opponents argued that the measure could eventually be used to restrict abortion rights, despite the inclusion of an exemption for legal medical procedures. After intense debate, **HB 15, by Representative Frank Corte, R-San Antonio**, was passed; it requires women to wait 24-hours after requesting an abortion for the procedure to be performed. The bill, also signed by the governor, requires physicians to provide women with state-produced information packets on fetal development and the risks of abortion for their review during the mandated waiting period. **SB 7, by Senator Jeff Wentworth, R-San Antonio**, prohibits Texas from legally recognizing same-sex unions formed in other states. Wentworth also successfully passed SB 83, requiring public schools to observe a moment of silence each day; students may choose to pray, but are not required to do so.

Other Key Items

Insurance, ethics reform, and the creation of a Texas Enterprise Fund all faced determined opposition and debate throughout the process, but each was successfully passed by the close of the session.

After much debate and negotiation, **SB 14, by Senator Mike Jackson, R-Pasadena**, will place all insurance companies operating in Texas under state regulation, thereby giving the state insurance commissioner the power to review and reject rates for homeowner's insurance. **HB 329, by Elliott Naishtat, D-Austin**, requires mold assessors and remediators to be licensed by the

state and imposes minimum standards on a previously unregulated industry. Additionally, **SB 127 by Troy Fraser, R-Marble Falls**, requires insurance companies to respond more quickly to water damage claims in an effort to prevent home-destroying mold. Governor Perry had made soaring homeowner's insurance rates one of his emergency issues for the session.

State lawmakers gave the go-ahead for Texas to join the 33 states currently playing multi-state games, such as Powerball and Mega Millions. Proponents of the games originally feared the measure had failed since it had been included in the Lottery Commission's Sunset bill, which died in conference committee after the House and Senate were unable to agree on the bill's Bingo provisions. The measure was resurrected in HB 3459, and Comptroller Strayhorn predicts the games will generate \$64 million each year in new state revenue.

After a highly publicized fight and numerous exaggerated reports of its demise, the ethics bill, **HB 1606, by Steve Wolens, D-Dallas**, Chair of the House Select Committee on Ethics, will require politicians to disclose balances of campaign accounts and report the employer and occupation of large donors. Municipal officials in cities of more than 100,000 and school officials in districts with more than 5,000 students must begin filing personal financial statements, similar to those currently filed by state officials.

Lawmakers also authorized a \$295 Million Texas Enterprise fund through **SB 1771, by Senator Kim Brimer, R-Fort Worth**, which supporters say will bring economic development to Texas. The appropriation was siphoned from the Rainy Day Fund and is to be used to promote economic development. Included is a "deal-making fund," which is a \$200 million pool that provides the governor the ability to respond quickly and aggressively to opportunities to bring jobs to Texas.

Vetoes

After completion of the legislative session, the Governor must decide what action to take regarding each piece of legislation sent to his desk. His options are to sign the legislation, allow the legislation to become law without his signature, or veto the legislation. After vetoing 82 pieces of legislation at the conclusion of the 77th Legislative Session, Governor Perry vetoed fewer than 50 bills passed by the 78th. A key reason cited for the significant decline in the number of vetoed bills was the increased involvement by the governor's office during the Session. Governor Perry also acted to resolve his two-year strained relations with the medical community when he signed **SB 418 by Senator Jane Nelson, R-Flower Mound**. SB 418 will require insurance companies to promptly pay doctors and hospitals or face penalty. In 2001, the governor vetoed similar, but otherwise encumbered, legislation, which was followed by discontent among physicians and the leaders of the TMA. This session, the governor vetoed 48 bills, signed 1,318, allowed 15 to become law without his signature, and exercised line-item veto power on two.

APPROPRIATIONS

Beginning shortly after the passage of the 2002-03 biennial General Appropriations Act (GAA) in May 2001, legislative and executive leaders cautioned that sufficient revenues might not be available to sustain FY 2002-03 levels of service for the 2004-05 biennium. Throughout the months leading up to the 78th Session, the Comptroller warned of a \$5 billion shortfall in funds needed to continue the FY 2003 level of services. Three principal factors were cited: (1) approximately \$3 billion “surplus” revenues from the previous biennium had been used to fund the 2002-03 budget, and comparable funds would not be available for the 2004-05 budget; (2) one-time accounting changes amounting to about \$0.8 billion had been used in building the FY 2002-03 budget; and (3) new costs associated with funding the teachers health insurance program for both years of the biennium (as a new program, it had only been funded for FY 2003) would require an additional \$1.25 billion.

However, on the eve of the opening of the 78th Regular Session, the Comptroller delivered the surprising news that the shortfall was now estimated to be almost twice what had been projected—\$9.9 billion short of the amount required to maintain FY 2003 funding for both years of the upcoming 2004-05 biennium. Included in the Comptroller’s estimate of the deficit was an estimated \$2.2 billion shortfall for FY03. She reported that for only the second time since WWII, sales tax revenues were on course to decline from one year to the next. Because of this revenue decline, the estimated certification balance for the 2002-03 biennium was a negative \$1.8 billion. Along with declining revenues, spending needs were up – there was an estimated \$0.4 billion shortfall in funding of the state’s portion of Medicaid costs. So not only was the outlook for the next biennium bleak, but the net shortfall for the current (FY03) fiscal year would have to be addressed by the 78th Legislature before it could address the FY 2004-05 biennial budget.

Other factors that would also impact the scale of the of shortfall were not included in her estimates, including for example:

- additional costs for growth in several key service populations, including public school and higher education enrollments; and,
- Increases in health care costs that would be reflected in state employees’ health insurance premiums, Medicaid, nursing homes, and prison health care.

Estimates of the deficit soared to approximately \$15 billion when these costs for maintaining current services were included. Taken together, the 78th Legislature faced one of the most challenging budgets in Texas’ history.

Among the first actions taken at the start of the legislative session, the Governor, Lt. Governor and Speaker requested almost all state agencies and institutions to submit plans to reduce their FY 2003 General Revenue (GR) budgets by seven percent. Later, the Legislature formalized those reductions in House Bill 7, which reduced funding by \$1.6 billion in General Revenue and General Revenue Dedicated funds. HB 7 reduced appropriations to higher education by \$344.6 million from General Revenue, which represented 39 percent of the entire

General Revenue reductions and 21.7 percent of all General Revenue and general revenue dedicated reductions. On the positive side, a few supplemental appropriations were also included in HB 7, primarily for health and human services programs. The only supplemental appropriation for higher education was \$1.5 million provided to the University of Texas Health Science Center - Houston for debt service associated with facilities damaged in Tropical Storm Allison. In summary, the A&M System reductions totaled \$44 million from operations and \$3.2 million from the A&M System group insurance program.

Once the final gavel had fallen, the 2004-05 biennial appropriations for state government operations totaled \$117.4 billion in All Funds, which amounted to a \$1.6 billion, or 1.4 percent increase over the 2002-03 biennial level. However, General Revenue funding totaled \$58.1 billion for the 2004-05 biennium, which was a decrease of \$2.6 billion, or 4.3 percent, from the 2002-03 biennial spending level (as adjusted by HB 7 reductions).

Following the passage of the General Appropriations Act, the Governor vetoed \$68.2 million in General Revenue and \$81.2 million in All Funds. Vetoes for higher education totaled \$66.2 million in General Revenue, including \$45.1 million in research excellence funding through the Texas Excellence Fund and the University Research Fund; \$9.5 million from the Coordinating Board's Advanced Research Program; and \$6.6 million for A&M System's Texas Wildlife Damage Management Service.

Note: For purposes of this report, comparisons to the 2002-03 funding level specifically note whether the adjustments made in House Bill 7 are included. If the adjustments are not included, the 2002-03 base is referred to as "2002-03 Expended/Budgeted" or "2002-03 base." If the adjustments are included, the 2002-03 base is referred to as the "2002-03 base as adjusted by House Bill 7."

OVERVIEW OF THE STATE BUDGET

General Revenue, in millions

House Bill 1 Appropriations for 2004-05 and Governor's Vetoes
Compared to 2002-03 Expended/Budgeted Level (as adjusted by House Bill 7)

Function	Expended/ Budgeted 2002-03, Adjusted for HB 7	HB 1, including Vetoes 2004-05	Biennial Change	Percent Change
Article I - General Government	1,397.8	1,391.0	(6.8)	(0.5)
Article II - Health and Human Services	14,844.5	14,672.6	(171.9)	(1.2)
Article III - Agencies of Education	35,661.1	34,473.6	(1,187.5)	(3.3)
Public Education	25,427.6	24,474.8	(952.8)	(3.7)
Higher Education	10,233.4	9,998.8	(234.6)	(2.3)
Article IV - The Judiciary	333.6	318.2	(15.4)	(4.6)
Article V - Public Safety/Corrections	6,859.1	6,609.3	(249.8)	(3.6)
Article VI - Natural Resources	590.8	510.0	(80.8)	(13.7)
Article VII - Bus./Eco. Development	382.9	310.5	(72.4)	(18.9)
Article VIII - Regulatory	382.0	399.3	17.3	4.5
Article IX - General Provisions	0.0	-852.8	(852.8)	NA
Article X - The Legislature	<u>293.8</u>	265.2	(8.6)	(9.7)
Grand Total	60,745.4	58,096.8	(2,648.6)	(4.4)

Notes:

Totals may not add due to rounding. Biennial change and percent change calculated on actual amounts before rounding. 2002-03 Expended/Budgeted amounts include supplemental appropriations and reductions from House Bill 7, 78th Legislature. 2004-05 amounts reflect Governor's Veto Proclamation. Higher Education totals reflect pro rata share of retirement and other benefits.

Highlights of the appropriations for the 2004-05 biennium include:

Major Changes by Function Compared to the 2002-03 Base Adjusted for House Bill 7

House Bill 1 appropriations for the 2004-05 biennium result in the following major funding changes from the 2002-03 biennium:

- **Public Education** a \$875.2 million, or 3.4 percent, decrease in General Revenue and General Revenue–Dedicated Funds; a \$1.3 billion, or 22.8 percent, increase in Federal Funds; and a \$770.1 million, or 52.9 percent, increase in Other Funds;
- **Higher Education** a \$144 million, or 1.1 percent, decrease in General Revenue and General Revenue–Dedicated Funds; and a \$302.9 million, or 9.3 percent, increase in Other Funds;
- **Public Safety and Criminal Justice** a \$299.8 million, or 4.3 percent, decrease in General Revenue and General Revenue–Dedicated Funds; a \$131.6 million, or 33.8 percent, decrease in Federal Funds; and a \$100.6 million, or 10.5 percent, increase in Other Funds;
- **Natural Resources** a \$108.4 million, or 7 percent, decrease in General Revenue and General Revenue–Dedicated Funds; and a \$33.2 million, or 11.6 percent, decrease in Federal Funds;
- **Business and Economic Development** a \$74.2 million, or 9.9 percent, decrease in General Revenue and General Revenue–Dedicated Funds; a \$45.4 million, or 0.6 percent, increase in Federal Funds; and a \$261.1 million, or 4.2 percent, increase in Other Funds;
- **Health and Human Services** a \$100.9 million, or 0.7 percent, increase in General Revenue and General Revenue–Dedicated Funds; and a \$944.5 million, or 4.1 percent, increase in Federal Funds;
- **Regulatory** a \$22.7 million, or 4.7 percent, increase in General Revenue and General Revenue–Dedicated Funds; and a \$30.8 million, or 13.6 percent, increase in Other Funds; and
- **General Government** a \$26.4 million, or 1.5 percent, increase in General Revenue and General Revenue–Dedicated Funds; and a \$72.2 million, or 11.1 percent, decrease in Federal Funds.

Performance Measures and Performance Targets

There are four types of performance measures used in the appropriations process: “Outcome”(e.g., results/impact), “Output” (e.g., workload/volume), “Efficiency” and “Explanatory.” Each type of measure serves a different purpose. For “Key” outcome, output and efficiency measures, a performance target is established for each year of the biennium for which funds are appropriated. The recommended appropriations for the 2004–05 biennium contain 2,227 key performance measures, which represent a 7.8 percent increase in the total number of key performance measures from the 2002–03 biennial level and a 3.5 percent increase from the 2000–01 biennial level.

FUNDING FOR HIGHER EDUCATION

In each of the three legislative sessions prior to the 78th, the Legislature granted higher education significant **increases** in funding. The Legislature increased funding for higher education by almost \$600 million in the 75th Session, by \$800 million in the 76th Session, and in the 77th Session by \$1.3 billion. In sharp contrast to these funding increases, funding in the 78th Session **declined** by \$176 million compared to the previous biennium.

The following table compares the 2002-03 funding level, including adjustments contained in House Bill 7 to the 2004-05 funding level adjusted for the Governor’s vetoes.

Higher Education
General Revenue, in millions
House Bill 1, Including Governor's Vetoes
as Compared to the 2002-03 Budget/Expended Level (adjusted for HB7)

Higher Education	HB 1		
	Appropriations 2004-05	Biennial Change	Percent Change
General Academic Institutions	3,611.7	74.2	2.1
Health-Related Institutions	1,815.9	(0.7)	0.0
A&M University Services	267.0	(21.5)	(7.4)
Higher Education Fund	350.0	(65.0)	(15.7)
Texas Research Fund/ University Research Fund	66.7	(66.7)	(100.0)
Other Higher Education		25.4	3.9
Two-Year Institutions			
Public Community / Junior Colleges	1,511.0	(11.9)	(0.8)
Lamar State Colleges	43.0	(5.2)	(10.8)
Texas State Technical College	111.2	(11.4)	(9.8)
Subtotal, Two-Year Institutions	1,665.2	(28.6)	(1.7)
Higher Education Group Insurance	800.3	(92.2)	(10.3)
TOTAL, Higher Education	9,188.9	(175.9)	(1.9)

Notes:

Totals may not add due to rounding. Biennial change and percentage change calculated on actual amounts before rounding. Amounts do not include appropriations for retirement and other employee benefits except for health insurance. Amounts do not reflect across the board reduction required by House Bill 1, 78th Regular Session, Art. III, Special Provisions, Section 56 except that the Health-Related Institutions amounts include all funds in Section 56 -- both the across the board reduction and state fiscal relief funds. See below for additional detail on health related institutions.

General Academic Institutions and System Office Operations

**Comparison of General Academics and System Office Operations
by System
General Revenue Appropriations (in millions)**

Academics by System	2002-03	2004-05	\$ Increase	% Increase
TAMU System	\$ 894.0	\$ 927.7	\$ 33.7	3.8
UT System	\$1,203.3	\$1,224.1	\$ 20.8	1.7
UH System	\$ 379.3	\$ 383.8	\$ 4.5	1.2
Texas Tech	\$ 216.9	\$ 224.4	\$ 7.5	3.5
UNT	\$ 178.8	\$ 193.1	\$ 14.4	8.0
Texas State System	\$ 364.6	\$ 365.2	\$ 0.6	0.2
All Others	\$ 300.7	\$ 293.3	(\$ 7.3)	(2.4)
Total, Academics	\$3,537.5	\$3,648.1	\$ 74.2	2.1

Notes: Totals may not add due to rounding. Biennial change and percentage change calculated on actual amounts before rounding. Includes general academic institutions and system office operations. 2002-03 is adjusted for House Bill 7. Amounts listed below will not total amounts in the table because only key changes are listed. Amounts do not reflect across the board reduction required by House Bill 1, 78th Regular Session, Art. III, Special Provisions, Section 56.

General Revenue Funding

Overall, the general academic institutions (including system offices) received \$3,648.1 million, which was \$41.6 million **below** the 2002-03 expended/budgeted level or \$74.2 million **over** 2002-03 adjusted for House Bill 7. The starting point for the appropriations decisions for the academics was a number referred to by a new term known as "initial General Revenue" (IGR). IGR was the original 2002-03 base appropriation, **minus** 12.5 percent. The IGR number effectively became the working base for all appropriations decisions, not only in higher education but statewide as well. From this reduced IGR "base", General Revenue funding was added for the general academic institutions. The Conferees on House Bill 1 added approximately \$300 million to the general academics over the amounts that had been included in the House version of the bill, essentially IGR, except for these notable exceptions: \$86m to fund 100 percent indirect cost recovery (IDC) retention, partial "hold harmless" for a few universities, and additional debt service for the South Texas institutions' Tuition Revenue Bonds (TRBs).

Compared to the 2002-03 expended/budgeted level, the key increases in funding are as follows:

- \$86.4 million in General Revenue was added to allow general academic institutions to retain 100 percent of their research-related indirect cost allowances.
- \$11.9 million in additional tuition revenue bond debt service was added for South Texas academic institutions; \$7.7 million in tuition revenue bond debt service was added for newly authorized bonds for the University of Houston, Southwest Texas State University, the University of North Texas and Texas A&M International. For all other institutions, the TRB debt service was reduced by 12.5 percent below the 2002-03 expended/budgeted level. (**Note:** because the 2002-03 appropriations bill (the base against which the IGR 12.5% reductions were made) included funding for less than one year's debt service on the bonds authorized by the 77th Legislature in House Bill 658, the A&M System will be able to pay "interest only" on its institutions' HB 658 TRBs.)
- \$217.4 million was added to the formulas. The formulas were updated to reflect the most recent base period enrollments (Summer 2002, Fall 2002, Spring 2003). This funding level is still approximately \$135 million or 4.8 percent below the 2002-03 base funding level.
- \$4.8 million for formula hold harmless to ensure that no institution lost more than 7 percent;
- \$20 million for Texas A&M University for faculty;
- \$5.3 million for unexpended balances associated with the 2002-03 Office of Civil Rights Priority Plan funding for Prairie View A&M University;
- \$46.5 million added to the Institutional Enhancement Strategy. This funding level is approximately \$14.8 million or 5.9 percent over the 2002-03 base.
- Other non-formula items, including Special Items were funded at reductions of 12.5 percent below 2002-03 expended/budgeted levels.
- The line item entitled "Excellence" (formerly Capital Equity and Excellence) maintains the fiscal year 2003 distribution methodology and eliminates the \$12.5 million in capital equity hold harmless, but the funded level is 12.5 percent below the 2002-03 expended/budgeted level. The 2002-03 Capital Equity hold harmless funds were reallocated to the funding formulas.

Tuition and Other Educational and General Income

The bill reflects \$112.3 million increase in General Revenue–Dedicated, Other Educational and General Income, primarily due to projected increases in tuition revenue and indirect cost recovery. Other Educational and General Income, General Revenue–Dedicated Funds recommended for 2004–05 total \$1.5 billion.

Health-Related Institutions

**Comparison of Health Related Institutions by System
General Revenue Appropriations
(in millions)**

Health-Relateds by System	2002-03	2004-05	\$ Increase	% Increase
TAMU System	\$ 110.8	\$ 113.3	\$ 2.5	2.2
UT System	\$1,444.8	\$1,431.8	(\$ 13.0)	(0.9)
Texas Tech	\$ 176.2	\$ 186.2	\$ 10.0	5.7
UNT	\$ 84.8	\$ 84.6	(\$ 0.2)	(0.2)
Total, Health Relateds	\$1,816.6	\$1,815.9	\$ 0.7	0.0

Notes: Totals may not add due to rounding. Biennial change and percentage change calculated on actual amounts before rounding. Includes general academic institutions and system office operations. 2002-03 is adjusted for House Bill 7. Amounts listed below will not total amounts in the table because only key changes are listed.

The 2004-05 direct general revenue appropriations for the health related institutions that appear in the line items total \$1.75 billion. In addition, Article III Special Provisions, Section 56 appropriates an additional \$17 million generated by an across the board **reduction** to the rest of higher education and targets an additional \$49 million from state fiscal relief funds to be received from the federal government. These state fiscal relief funds are not appropriated by Section 56 but are “intended” to be provided. The total targeted level of funding, including the state fiscal relief funds, is \$1.816 billion, or \$0.6 million **below** the 2002-03 funding level as adjusted for House Bill 7 reductions.

The methodology used for the \$1.75 billion in direct funding for the health related institutions that appears in each institution's line items is as follows:

- The funding formulas were funded at 87.5 percent of the 2002-03 base (before HB7 adjustments). The key change from the previous biennium is that Baylor College of Dentistry is **included** in the formula at 100 percent, or equity, of the formula rates for other colleges of dentistry. In the 2002-03 biennium, Baylor College of Dentistry was funded at only 91 percent of the level of the other dental schools;
- Tuition revenue bond debt service for previously authorized bonds was funded at 87.5 percent of 2002-03 levels. For bonds newly authorized by the 78th Legislature, \$6 million was added to fund “interest only” for University of Texas Health Sciences Center – Houston for facilities damaged by Tropical Storm Allison, the University of Texas M.D. Anderson Cancer Center for biotechnology research and development facilities, and the University of Texas-Southwestern for biomedical research facilities;

- All other non-formula items were funded at 87.5 percent of 2002-03;
- New funding was added for the University of Texas Southwestern Nobel Laureate Institute (\$14 million) and the Texas Tech Health Sciences Center Physician Assistant Program (\$2 million);
- An additional \$68.5 million was allocated to all the health related institutions based on each institution's proportion of General Revenue formula and non-formula appropriations in 2002-03.

A&M Research and Service Agencies

Funding for the A&M Research and Service Agencies totals \$267.0 million in General Revenue. The overall **reduction** from the 2002-03 level of funding adjusted for House Bill 7 is \$21.5 million or 7.4 percent. For individual agencies, these percent reduction ranges from 1.4 percent for the Texas Cooperative Extension Service to 100 percent for the Texas Wildlife Damage Management Service.

Key changes to the agencies include:

- Governor's veto of the funding for the Texas Wildlife Damage Management Service (\$6.6 million); and
- Change in the method of financing the Texas Transportation Institute's base operations funding from General Revenue to Fund 006, the State Highway Fund.

Texas Higher Education Coordinating Board

General Revenue (key changes only)

- \$56.1 million General Revenue increase over the 2002-03 funded need for the Toward EXcellence, Access, and Success (TEXAS) Grant Program. This level of funding primarily addresses funds needed to fulfill obligations to on-going students and provides for only a small portion of the 2004-05 need for initial grants.
- \$5 million increase in funding for the Texas College Work Study Program.
- \$7.1 million decrease in funding for General Academic dramatic enrollment growth and \$8 million increase in funding for Two Year enrollment growth.
- \$29.9 million decrease in appropriations for the Advanced Technology Program. In addition, the \$9.5 million allocated by the Legislature for the Advanced Technology Program was vetoed by the Governor for an overall decrease in funding for these sponsored research programs of \$39.4 million.
- \$23 million decrease in Tuition Equalization Grants compared to 2002-03. Funding levels for the Coordinating Board's agency operations were reduced by 13.9 percent.

Breakdown of Texas A&M University System Members' Appropriations

The following schedules summarize adjusted General Revenue and All Funds appropriations to each A&M System member for each biennium. (Please see Notes section below for details.)

Institution/Agency	Expended/ Budgeted 2002-03 Adj. For HB7	Appropriated 2004-05 Incl. Vetoes	Biennial Change	Percent Change
System Administrative and General Offices				
General Revenue	3,733,707	3,305,106	(428,601)	(11.5)
All Funds	8,232,440	9,449,106	1,216,666	14.8
Texas A&M University				
General Revenue	409,416,966	417,350,538	7,933,572	1.9
All Funds	581,548,349	592,664,584	11,116,235	1.9
Texas A&M University @ Galveston				
General Revenue	21,467,504	20,885,794	(581,710)	(2.7)
All Funds	28,146,597	28,242,219	95,622	0.3
Prairie View A&M University				
General Revenue	77,998,618	91,756,322	13,757,704	17.6
All Funds	102,268,415	118,526,158	16,257,743	15.9
Tarleton State University				
General Revenue	55,118,843	55,219,192	100,349	0.2
All Funds	74,938,538	77,337,387	2,398,849	3.2
TAMU – Corpus Christi				
General Revenue	76,464,890	81,511,673	5,046,783	6.6
All Funds	92,478,743	101,250,991	8,772,248	9.5
TAMU – Kingsville				
General Revenue	62,640,960	66,306,787	3,665,827	5.9
All Funds	84,337,745	85,554,026	1,216,281	1.4
A&M International				
General Revenue	60,131,986	62,949,642	2,817,656	4.7
All Funds	67,535,813	72,296,420	4,760,607	7.0
West Texas A&M				
General Revenue	51,326,237	50,048,493	(1,277,744)	(2.5)
All Funds	67,336,084	67,831,721	495,637	0.7

Institution/Agency	Expended/ Budgeted 2002-03 Adj. For HB7	Appropriated 2004-05 Incl. Vetoes	Biennial Change	Percent Change
TAMU – Commerce				
General Revenue	58,786,384	60,010,745	1,224,361	2.1
All Funds	77,886,439	82,058,642	4,172,203	5.4
TAMU – Texarkana				
General Revenue	16,886,380	18,340,908	1,454,528	8.6
All Funds	19,119,947	21,250,774	2,130,827	11.1
A&M System Health Science Center				
General Revenue	110,820,533	113,285,759	2,465,226	2.2
All Funds	127,929,425	124,876,570	(3,052,855)	(2.4)
Agricultural Experiment Station				
General Revenue	108,404,862	101,061,211	(7,343,651)	(6.8)
All Funds	132,725,088	125,229,251	(7,495,837)	(5.6)
Cooperative Extension				
General Revenue	84,165,828	82,992,070	(1,173,758)	(1.4)
All Funds	121,106,520	118,182,372	(2,924,148)	(2.4)
Engineering Experiment Station				
General Revenue	25,053,511	23,290,341	(1,763,170)	(7.0)
All Funds	142,000,586	135,636,706	(6,363,880)	(4.5)
Engineering Extension Service				
General Revenue	12,710,504	11,816,225	(894,279)	(7.0)
All Funds	120,649,413	119,866,225	(783,188)	(0.6)
Transportation Institute				
General Revenue	9,258,531	29,194,635	(90,951)	(1.0)
All Funds	66,859,765	69,448,459	2,588,694	3.9
Texas Forest Service				
General Revenue	31,603,876	29,194,635	(2,409,241)	(7.6)
All Funds	58,168,410	70,657,533	12,489,123	21.5
Wildlife Damage Management Service				
General Revenue	7,057,665	0	(7,057,665)	(100.0)
All Funds	7,057,665	0	(7,057,665)	(100.0)

Institution/Agency	Expended/ Budgeted 2002-03 Adj. For HB7	Appropriated 2004-05 Incl. Vetoes	Biennial Change	Percent Change
Veterinary Medical Diagnostic Laboratory				
General Revenue	10,272,496	9,518,749	(753,747)	(7.3)
All Funds	20,817,027	20,826,979	9,952	0.0
A&M System Higher Education Group Insurance				
General Revenue	149,505,095	135,601,327	(13,903,768)	(9.3)
All Funds (GR portion only)	149,505,095	135,601,327	(13,903,768)	(9.3)
GRAND TOTAL, TAMUS				
General Revenue	1,442,825,376	1,443,613,097	787,721	0.1
All Funds	1,823,682,577	2,176,787,450	26,139,346	1.2

Notes:

1. Source: 2004-05, Legislative Budget Estimates. House Bill 1, 78th Legislature, Regular Session. House Bill 7, 78th Legislature, Regular Session. Amounts do not reflect across the board reduction required by House Bill 1, 78th Regular Session, Art. III, Special Provisions, Section 56.2. Prairie View A&M appropriation includes \$5.3 million in unexpended balances from FY03 for OCR Priority Plan.
3. Health Sciences Center 2004-05 amounts include funding appropriated and targeted in Art. III, Special Provisions, Section 56.
4. Texas Transportation Institute's source of funding for base operations changed from General Revenue to Fund 006, State Highway Fund. Base funding is reflected as GR above for comparison purposes only.5. Texas Forest Service 2004-05 all funds amounts include 2 years of the annual \$15 million assessment from the Volunteer Fire Department Assistance Account. The 2002-03 amounts include only one year of this funding.

APPROPRIATIONS RELATED LEGISLATION

Tuition Revenue Bond Legislation:

House Bill 1941 by Woolley/Bivins – Relating to authorizing the issuance of revenue bonds to finance certain facilities and projects at certain public institutions of higher education and exempting the facilities and projects financed by the bonds from prior approval by the Texas Higher Education Coordinating Board (THECB) – Authorizes tuition revenue bonds as follows:

- Texas A&M International University - \$12.5 million for facilities and infrastructure (note: not exempted from THECB approval);
- University of Texas Health Science Center at Houston - \$34.9 million for facilities and infrastructure damaged by Tropical Storm Allison;
- University of Texas M.D. Anderson Cancer Center - \$20 million for facilities and infrastructure to be used primarily for biotechnology research and development;
- University of Texas Southwestern Medical Center at Dallas - \$56 million for facilities and infrastructure to be used primarily to conduct biomedical research; (no debt service before September 1, 2004).
- University of Texas Health Science Center at Houston - \$30 million for the replacement of research and academic facilities lost in Tropical Storm Allison; and
- University of Houston System - \$25 million for facilities and infrastructure.

House Bill 2522 by Krusee/Ogden – Relating to financing authority for certain institutions of higher education for facilities

Senate Bill 1297 by Ogden/Krusee – Relating to financing authority for certain institutions of higher education for facilities

Authorizes:

- Southwest Texas State University - \$27 million for a Multi-Institutional Teaching Center in Williamson County, and
- University of North Texas – the authority to use existing revenue bond authority to develop the campus and facilities of the University of North Texas System Center at Dallas at the location to become the University of North Texas at Dallas.

Senate Bill 800 by Madla/Lucio – Relating to the financing authority of and to the establishment of certain general academic teaching institutions in The Texas A&M University System – Authorizes the Texas A&M University System to issue \$15 million in tuition revenue bonds for the Texas A&M University System Health Science Center to develop a biosciences research center in the City of Temple. If the Temple Health and Bioscience Economic Development District is established (pursuant to House Bill 3629), the district is responsible for debt service on the bonds. The legislation prohibits the Legislature from appropriating any general revenue to pay debt service or to reimburse Texas A&M University for debt service payments.

The legislation also authorizes the establishment of **Texas A&M University-San Antonio** and **Texas A&M University-Central Texas** when certain enrollment levels are reached (for more details, see SB 800 under the section of this report devoted to Legislation).

Tuition Legislation:

House Bill 3015 by Morrison/Shapiro – Relating to the tuition and fees charged to students of institutions of higher education, to financial assistance funded by tuition, and to reports of availability and access by institutions of higher education.

- **Tuition amount.** Provides that a governing board may charge any student an amount designated as tuition that the governing board considers necessary for the effective operation of the institution in addition to amounts that an institution is authorized to charge as tuition under other provisions of the Education Code. It allows a governing board to set a different tuition rate for each program and course level offered by each institution of higher education and to set a different tuition rate as the board considers appropriate to increase graduation rates, encourage efficient use of facilities, or enhance employee performance.
- **“Closing the Gaps” progress.** Expresses legislative intent that each institution of higher education shall make satisfactory progress toward the goals of “Closing the Gaps” and that each institution shall meet acceptable performance criteria, including measures such as graduation rates, retention rates, enrollment growth, educational quality, minority participation, financial aid, and affordability.
- **Legislative Oversight Committee.** Creates a 12-member Legislative Oversight Committee on Tuition Deregulation (six senators, six representatives) to make recommendations for any legislative action necessary to meet the criteria itemized above and any other criteria to improve higher education affordability and access.
- **Prepaid Higher Education Tuition Program.** Changes the Senior College Plan provisions under the Prepaid Higher Education Tuition Program so that when students enroll under the plan, they pay the lesser of the amount of tuition and required fees charged by the institution or a weighted average of tuition and fees of all senior colleges and universities for that semester or other academic period as determined by the Prepaid Higher Education Tuition Board.
- **Financial aid set-asides.** Requires the governing board to set aside not less than 20 percent of any amount of tuition charged to a resident undergraduate student in excess of \$46 per semester credit hour to be used for financial aid for undergraduate students. It also requires a set aside of 15 percent of any amount of tuition charged to a resident student enrolled in a graduate or professional degree program in excess of \$46 per semester credit hour for use in providing financial aid for such students.
- **Financial aid eligibility.** To be eligible for assistance, a student must establish financial need in accordance with rules and procedures established by the Coordinating Board. It requires that priority be given to students who meet the Coordinating Board’s definition of financial need, and whose cost for tuition and required fees is not met through other non-loan financial assistance programs. Funds may also be used for student loans and student loan repayment assistance.

- **Information on financial aid.** It requires the Coordinating Board to disseminate information regarding financial assistance available under these provisions to each public or accredited private high school. The information also should educate students and parents on available opportunities and required preparation for higher education.
- **Affordability reports.** It requires CEOs of institutions to file a report with the governing board by November 1 of each year about the institution's affordability and access and sets forth criteria for the report.

Research Legislation:

House Bill 1887 by Morrison/Ratliff – Relating to funds received by institutions of higher education to cover overhead expenses of conducting research – Eliminates authorization for the legislature to use up to 50 percent of indirect cost income from research grants and contracts as an offset to General Revenue in the funding formulas. In other words, the legislation allows institutions to retain 100 percent of indirect cost recovery and changes the method of financing the general academic institutions. Correspondingly, House Bill 1, the GAA, included \$86 million in new funding for the general academics to offset the indirect cost recovery that had previously been used in the method of financing the funding formulas.

The legislation was contingent upon enactment of House Bill 3015 or similar legislation providing for deregulation of tuition charged by institutions of high education to resident undergraduate students. *Note: HB 3015 by Morrison/Shapiro was passed and signed.*

House Bill 3526 (Hamric/Duncan) – Relating to the establishment of the Research Development Fund to promote research at certain institutions of higher education and to the abolition of the Texas Excellence Fund and the University Research Fund – Repeals the Texas Excellence Fund and the University Research Fund created by the 77th Texas Legislature and consolidates and re-designates the two funds as the Research Development Fund to promote increased research capacity at eligible universities. The new Fund uses the same funding methodology that existed for the two prior funds, but distributes the funds using a single methodology, instead of two separate methodologies. It requires the Coordinating Board to prescribe standards and accounting methods for determining the amount of restricted research funds expended by an eligible university in a state fiscal year. Effective September 2005.

As part of the Governor's Veto Proclamation, the funding associated with the Research Excellence Funds for FY 04-05 was vetoed (\$49 million).

Other Appropriation Related Legislation:

Senate Bill 1771 by Brimer - Relating to economic development programs and funding — Creates the Texas Enterprise Fund as a dedicated account in the general revenue fund to be used for economic development, infrastructure development, community development, job training programs, and business incentives. The bill also provides for the coordination of economic development efforts by the Texas Department of Economic Development (TDED) or its successor, and authorizes the Texas Department of Economic Development or its successor to make certain recommendations regarding tax abatements and limitations on appraised value.

RIDERS: ARTICLE III

The following section lists all changes to the Article III Special Provisions and Riders under the Coordinating Board, Higher Education Group Insurance, Available University Fund, one Rider under the Governor's Office as well as all Rider changes for each of the member institutions of the Texas A&M University System. The actual text in the bill should be consulted for full details.

Art. III Special Provisions

Amended

Sec. 6. Expenditure Provisions:

- 1. Annual Operating Budgets Required** – Changed due date for submission of operating budgets from November 1 to December 1.
- 5. Investment Reports** – Requires each institution to publish on its website quarterly investment reports.

Sec. 30. General Academic Funding –

Provides funding rates for formulas for 2004-05:

- Instruction and Operations Support - \$51.25 / weighted semester credit hour;
- Teaching Experience Supplement – 10 percent; and
- Infrastructure Support - \$5.95 per square foot.

Adds Veterinary Medicine to funding matrix with weight of 16.72.

Sec. 31. Health Related Institutions Funding –

Provides funding rates for health institutions funding formulas for 2004-05:

- Instruction and Operations - \$9,934 per weighted student;
- Infrastructure Support - \$9.43 per square foot for all institutions excluding UT M.D. Anderson Cancer Center and UT Health Center at Tyler; the rate for those two institutions is \$9.31 per square foot; and
- Research Funding - \$1,412,500 plus 2.15 percent of research expenditures.
- Changed rates for Mission Specific Support activities at UT M.D. Anderson and UT Health Center at Tyler.

Sec. 40. A&M Service Agencies' Infrastructure – Specifies funds appropriated to be used for infrastructure support needs for facilities located outside of Brazos County.

Sec. 42. Donations for Scholarships – Eliminates requirements to notify the Coordinating Board, publish in the Texas Register and notify the LBB.

Sec. 43. Endowed Programs – Eliminates requirements to notify the Coordinating Board, publish in the Texas Register and notify the LBB.

Sec. 46. Informational Listing – Permanent Funds and Endowments – Moved higher education portions of Rider from Article XII to Article III, Special Provisions. Lists amounts used to capitalize Permanent Funds and Endowments associated with the Tobacco Settlement funds.

Sec. 53. Limitation on Use of Funds – Moved Rider from Article XII to Article III. Special Provisions. Related to use of Tobacco Settlement Funds.

New

Sec 6. Expenditure Provisions

8. Administrative Accountability – Requires all institutions of higher education to report by December 1 each year to the LBB, Senate Finance Committee chair, and House Appropriations Committee chair the names, salaries, all other emoluments or compensation, and salary adjustments for all “high-ranking administrative positions” as defined in the provision.

Sec. 41. Nursing School Enrollment – Encourages institutions not to reduce the number of student full time equivalents enrolled in nursing programs. Establishes a reporting requirement for schools that lose more than 5 percent enrollment.

Sec. 48. Appropriation of Funds from the Permanent Health Fund for Higher Education – Informational rider stating the amounts included in appropriations to each institution.

Sec. 49. Tobacco Settlement Receipts – Baylor College of Medicine – Makes an appropriation to Baylor College of Medicine from the Permanent Health Fund.

Sec. 50. Limitation on Formula Funding Contact and Semester Credit Hours – Excludes contact/semester credit hours related to a course for which a student is generating formula funding for the third time from being counted in the funding formulas. Effective beginning Spring 2004.

Sec. 51. Debt Service Related to Tuition Revenue Bonds – Restricts General Revenue to be used to pay “interest only” for all tuition revenue bonds issued after March 31, 2003.

Sec. 52. Report on Real Property – Requires institutions of higher education to report to the General Land office certain information related to real property.

Sec. 54. Financial Information Reporting Requirement – Requires institutions of higher education to report to the Higher Education Coordinating Board financial data reported in the 2001 Annual Financial Report as prescribed by the Coordinating Board.

Sec. 55. Maintenance, Construction, and Policing of Campus Roads and Streets – Appropriates \$26 million each year from State Highway Fund 006 to the Coordinating Board to replace General Revenue otherwise appropriated to the general academic teaching institutions for maintenance, construction and policing of roads and streets on university campuses. The \$26 million in GR previously allocated for these purposes is appropriated to the Coordinating Board to be reallocated through the General Academic Instruction and Operations (I&O) formula.

Sec. 56. Health-Related Institutions of Higher Education – Directs an across the board reduction of \$17 million from all other higher education institutions and agencies (except as excluded) to be reallocated to the health-related institutions. The reduction factor is estimated to be approximately 0.26 percent. The provision also specifies legislative intent that \$49 million in state fiscal relief funds be allocated to the health related institutions.

Sec. 57. Additional Tuition Revenue Bonds – States legislative intent that institutions that were authorized by the 78th Legislature to issue tuition revenue bonds for any project other than related to damages sustained from Tropical Storm Allison would not be eligible for any new tuition revenue bond authorizations by the 79th Legislature (note: in the A&M System, only Texas A&M International University was authorized new TRBs by the 78th Legislature).

Sec. 58. Program to Encourage Certification to Teach Bilingual Education, English as a Second Language or Spanish – Authorizes the Coordinating Board to use \$150,000 per year for a bilingual education program at the University of North Texas.

Deleted Riders from House Bill 1, 77th Legislature, Regular Session

- Sec 11.2. Method of Financing Scholarships
- Sec. 1. Family Practice Clerkship Funding
- Sec. 2. Gerontology Education
- Sec. 3. Developmental Education Performance Fund
- Sec. 4. Community and Technical College Developmental Education Funds
- Sec. 5.b. Status of Endowed Chairs at General Academic Institutions
- Sec. 46. Inventory Performance Measure
- Sec. 6. Program Enhancement for the A&M Service Agencies
- Sec. 7. Capital Equity and Excellence Hold Harmless
- Sec. 8. Contingency Appropriation for Two-year Institutions of Higher Education
- Sec. 9. Housing Pilot Program

Coordinating Board

New Riders

Rider 28, TEXAS Grant II Program – Authorizes carry forward of unexpended balances (UB) between years of the 2004-05 biennium.

Rider 39, STARLINK/Virtual College – Specifies use of funds to support STARLINK and The Virtual College of Texas. Authorizes the CB to contract with any institution to provide for the STARLINK communications network. Authorizes carry forward of unexpended balances between years of the 2004-05 biennium.

Rider 40, Fifth-Year Accounting Students Scholarship Program – Directs funds for this program to be used in accordance with statute.

Rider 41, Tobacco Funds – Estimated Appropriation and Unexpended Balance – From the Permanent Endowment Fund for the Baylor College of Medicine, appropriates any income in excess of the amounts listed in the line item and appropriates all unexpended balances from the 2002-03 biennium and between fiscal years within the 2004-05 biennium.

Rider 42, Tobacco Funds – Estimated Appropriation and Unexpended Balance – From the Permanent Endowment Fund for Minority Health Research and the Permanent Fund for Nursing, Allied Health and Other Health Related Programs, appropriates any income in excess of the amounts listed in the line item and appropriates all unexpended balances from the 2002-03 biennium and between fiscal years within the 2004-05 biennium.

Rider 43, Technology Workforce Development – Makes funding contingent upon finding of fact by the Comptroller that sufficient revenue is in the GR-Dedicated Account No. 5079. Appropriates unexpended balances from S.B. 1, Technology Workforce Development Grants Program. Appropriates all unexpended between years of the 2004-05 biennium.

Rider 44, Reporting by the Texas Higher Education Coordinating Board – Directs the Coordinating Board to include in its Legislative Appropriations Request (LAR) actual expenditure and budgeted expenditures for the Baylor College of Medicine.

Rider 45, College for Texans Campaign – Appropriates any revenues from the College for Texas Campaign for the biennium and authorizes carry forward of any unexpended balances between years of the 2004-05 biennium.

Rider 46, African American Museum Internship – Directs use of appropriated for internship program and authorizes the Coordinating Board to contract with an institution to provide the internship.

Rider 47, Texas College Work Study Program and TEXAS Grant Program – Intent rider directing the extent to which state funds appropriated for student grants are awarded with criteria requiring a work study component.

Rider 48, Contingency for House Bill 1889/Senate Bill 1200 – Texas Next Step Grant Program. *Note HB1889 and SB1200 did not pass.*

Rider 49, Contingency Appropriation for Senate Bill 722 – Contingent upon enactment of legislation establishing a doctoral incentive program, appropriates \$469,692 in 2004 and 493,177 in 2005 from General Revenue fund amounts collected as tuition revenue and authorizes carry forward of all unexpended balances within the 2004-05 biennium. *Note: SB722 was rolled into SB286, which was passed and signed.*

Rider 50, Contingency for Senate Bill 1952 – Review of University System Offices.
Note: SB1952 did not pass.

Rider 51, Contingent Appropriation for Senate Bill 4: Texas B-on-Time Loan Program – Contingent upon enactment of legislation establishing the Texas B-on-Time Loan Program, appropriates \$10.7 million in 2004 and \$21.4 million in 2005. Authorizes carry forward of unexpended balances between fiscal years of the 2004-05 biennium. *Note: SB4 passed and signed.*

Amended Riders

Rider 6, Physician's Education Loan Repayment Program–Eliminates authority to carry forward unexpended balances from the previous biennium.

Rider 10, Research Programs – Eliminates authority to carry forward unexpended balances from the previous biennium.

Rider 12, Annual Financial Aid Report–Changes due date of report from February 28 to August 1.

Rider 21, Dramatic Enrollment Growth Funding for Two Year Institutions – Changes allocation methodology to two-year institutions.

Rider 24, Teach Education Centers – Eliminates the two percent administrative/monitoring set aside for this program.

Rider 30, Teach for Texas Conditional Grant Program – Eliminates unexpended balance authority from previous biennium. Maintains authority between fiscal years within the biennium. Appropriates all payments received from students for this program.

Rider 31, Border Faculty Loan Repayment Program – Eliminates unexpended balance authority from previous biennium. Maintains authority between fiscal years within the biennium.

Rider 32, Dentists Education Loan Repayment Program – Eliminates unexpended balance authority and eliminates appropriation of all receipts. Funds available for the program cannot exceed amount in line item.

Rider 24, Enrollment Growth Funding for General Academic Institutions – Clarifies that nursing hours should be excluded from enrollment growth calculations before determining the enrollment growth for all other hours.

Rider 26, Admission Referral System Pilot Program – Changes reporting due dates.

Rider 29, Higher Education Assistance Pilot Program – Modifies program requirements and eliminates reporting requirements. Rider 44, P-16 Council – Directs only the Coordinating Board to continue the activities of the P-16 Council, eliminating the TEA and SBEC.

Deleted Riders

Rider 5, Federal Lenders Allowance

Rider 8, License Plate Scholarship Program

Rider 11 (b), Texas Academic Skills Program, Allocation Procedure for the Developmental Education Program Performance Fund

Rider 19, Family Practice Residency Advisory Committee

Rider 20, Primary Care Residency Advisory Committee

Rider 25, General Academic Developmental Education Accountability Pilot Program

Rider 26, Community and Technical College Developmental Education Accountability Pilot Program

Rider 30, Economically Disadvantaged Student Retention Performance Fund

Rider 41, Financial Aid Application Assistance

Rider 42, Data Exchange to Facilitate Financial Aid Eligibility Determination

Rider 43, Graduate and Post Graduate Medical Education Task Force

Rider 49, Formula Funding Study

Rider 50, Infrastructure Support and A&M Service Agencies

Rider 51, New Campus Funding at Wharton Junior College

Rider 52, Distance Learning Consortium

Riders 52-56, Various Contingency Riders

Governor's Office

Rider 11, Texas Optical Fiber Network and Grid Computing – Contingency rider for Senate Bill 1771 that authorizes the Governor to direct \$5 million in 2004 and \$5 million in 2005 out of the Texas Enterprise Fund to provide an Optical Fiber Network and Grid Computing exclusively for research and education purposes. The rider authorizes a total of \$7.5 million for the Optical Fiber Network to be transferred to a consortium of three or more institutions of higher education, located not less than 50 miles apart. The rider authorizes a total of \$2.5 million to be transferred to the consortium known as HiPCAT (University of Houston, Texas Tech University, University of Texas at Austin, Rice University, and Texas A&M University) for the purpose of creating the Texas Internet Grid for Research and Education. The rider appropriates any unexpended balances at the end of 2004 for the same purpose in 2005.

Optional Retirement Program

Rider 4, Contingency for House Bill 264 – authorizes institutions that provide the Optional Retirement Program to their employees to use local funds or other sources of funds to supplement the General Revenue fund appropriation to provide an employer contribution of 8.5 percent of salary for all participating employees. Note: HB264 passed and signed.

Higher Education Group Insurance

Rider 2. Actuarial Study – Requires the Employees Retirement System to conduct an actuarial study to determine the costs and actions necessary to merge employees currently insured under group benefit plans offered by the Texas A&M University System into the state employee group benefit plans administered by the ERS. The Texas A&M University System shall cooperate with the ERS in assessing the costs and actions necessary and shall split the cost of conducting the study with the ERS. The study is to be submitted to the LBB and Governor by no later than September 1, 2004. The rider specifies that the transfer of the A&M System benefit plans to the ERS shall not take place unless authorized by general law.

Rider 8, Unexpended Balances, Higher Education Group Insurance Contributions – Authorizes any unexpended balances remaining at the end of FY2004 to be carried forward into FY2005.

Prairie View A&M University

Rider 3, OCR Priority Plan Reporting Requirements – Indicates that the appropriation includes \$5,272,013 million in unexpended balances carried forward from the 2002-03 biennium to be used for the OCR Priority Plan for the purposes identified by the 78th Legislature.

Rider 6, Contingency for House Bill 85 – Authorizes Prairie View A&M to allocate up to \$2.5 million per year out of funds appropriated to establish the Prairie View A&M University Undergraduate Medical Academy.

Tarleton State University

Rider 3, Scholarship Match -- Authorizes appropriated funds to be used as matching funds to fees collected for a student endowment scholarship, pursuant to Education Code Section 56.242.

Texas A&M International University

Rider 2, Contingency for House Bill 1941 – Indicates that included in the appropriation for debt service is \$600,000 per year for tuition revenue bonds authorized by House Bill 1941. Provides authority to carry forward any unexpended balances between fiscal years in the 2004-05 biennium. Note: HB1941 passed and signed.

West Texas A&M University

Rider 3, Small Business Development Center – New rider that states that the funding for the Small Business Development Center is contingent upon the Comptroller of Public Accounts certifying that increased activity due to the program will generate at least \$300,000 for the biennium in increased revenue to the General Revenue Fund. Additionally, the rider directs the Small Business Development Center be used to attract federal funds. The Comptroller certified the funding.

Texas A&M University - Texarkana

Rider 2, Scholarship Match -- Authorizes appropriated funds to be used as matching funds to fees collected for a student endowment scholarship, pursuant to Education Code Section 56.242.

Texas A&M University System Health Science Center

Rider 3, Cardiovascular Research Institute – Changes requirement to expend a sum certain amount for the Cardiovascular Research Institute to an “up to” amount.

Rider 4, Coastal Bend Health Education Center – Changes requirement to expend a sum certain amount for the Coastal Bend Health Education Center to an “up to” amount.

Rider 5, Estimated Appropriation and Unexpended Balance – From the Permanent Endowment Fund for the Texas A&M University System Health Science Center and the estimated appropriation of their allocation of the distribution from the Permanent Health Fund for Higher

Education, the rider appropriates any income in excess of the amounts listed in the line item and appropriates all unexpended balances from the 2002-03 biennium and between fiscal years within the 2004-05 biennium.

Rider 6, Research on Acute Neurological Injuries – New rider allowing up to \$1 million per year to be allocated to conduct research related to acute neurological injuries.

Texas Agricultural Experiment Station

Modified Riders

Rider 3, Buffalo Gnat – Modifies requirement to spend \$10,000 for buffalo gnat eradication to “up to \$10,000.”

Rider 5, Equine Research Account – Eliminated the authority to carry forward the unexpended balances from the previous biennium.

Rider 7, Honey Bees Research – Reduces amount required to be used for honey bee research from \$150,000 per year to \$131,250 per year.

Rider 8, Cotton Germplasm Collections – Reduces amount required to be used for cotton germplasm research from \$300,000 per year to \$262,500 per year.

Rider 9, Environmental Quality Research – Reduces amount required to be used for air quality research related to livestock production in Amarillo from \$600,000 to \$525,000.

Rider 10, Texas State Data Center – makes the funding for the State Data Center contingent upon the Comptroller of Public Accounts certifying that increased activity due to the program will generate at least \$300,000 for the biennium in increased revenue to the General Revenue Fund. The Comptroller certified the funding.

Deleted Riders

Rider 4, Unexpended Balances, General Revenue Fund -Dedicated, Agricultural Soil and Water Conservation Account

Rider 7, Unexpended Balances, Honey Bee Disease Fund

Texas Cooperative Extension

Rider 6, Youth Development Programs in Urban Areas – Intent rider directing the TCE to place greater emphasis on community leadership programs for youth in urban areas.

Deleted Riders

Rider 3, Unexpended Balances, General Revenue Fund -Dedicated, Agricultural Soil and Water Conservation Account

Rider 6, County Extension Agent Salary Increase

Rider 7, Drought Support

Texas Engineering Experiment Station

Rider 2, Offshore Technology Research Center – Modifies requirement to spend \$232,984 in each year for the Offshore Technology Research Center to \$203,861. Eliminates requirement to spend additional amounts from the Program Enhancement funds (which were not funded).

Texas Transportation Institute

Rider 3, Center for International Intelligent Transportation Research – Directs TTI to develop a plan by January 1, 2004 to establish the Center for International intelligent Transportation Research.

Texas Engineering Extension Service

Rider 3, Pay for Regular Compensatory Time – Authorizes TEEX to pay its FLSA exempt employees for compensatory time hours earned in connection with state of federal activation and when taking the compensatory time would be disruptive to normal business functions.

Texas Forest Service

Rider 3, Texas Wildfire Protection Plan – Modifies the amount appropriated from \$3.8 million per year to \$3,325,000 per year. Eliminates unexpended balance authority from the previous years for these funds.

Deleted Riders

Rider 5, West Texas Nursery

Texas Veterinary Medical Diagnostic Laboratory

Rider 3, Diagnostic Services – Requires \$300,000 in FY04 to be used for repairing the Amarillo facility's incinerator, purchasing a new incinerator for the College Station facility, and upgrading the Amarillo facility to Biosafety Level III status. Provides authority to carry forward unexpended balances between years of the biennium.

Deleted Riders

Rider 3, Infrastructure Support

RIDERS: ARTICLE IX

The following section lists the major changes made to the provisions in Article IX, followed by a detailed listing of all the amended provisions, new provisions, and deleted provisions.

FTE Caps

Sec. 6.14 moves Texas Engineering Extension Service, Texas Cooperative Extension, Texas Forest Service, Texas Veterinary Medical Diagnostic Laboratory, and Texas Wildlife Damage Management Service to FTE limitation based on average of four quarters like all other institutions of higher education. Previously these agencies were the only institutions of higher education that were required to meet their FTE cap quarterly.

Reporting Requirements

Sec. 7.06 requires state agencies and institutions to submit to the Governor's Office all reports all the reports that are required to be submitted to the Legislative Budget Board under provisions contained in this Act.

Sec. 8.02 requires agencies and institutions that receive at least at least \$5 million in new federal funds not to expend these funds unless they notify the Legislative Budget Board and the Governor of the receipt of the funds and provide a written plan outlining the use of the funds. The Legislative Budget Board and the Governor have 14 days to issue a written disapproval. This provision was specifically intended to include restricted federal funds received by institutions of higher education.

Appropriations Provisions

Sec. 11.18 which requires transfer of funds to cover statewide allocated costs was modified to reference the Government Code in which higher education is exempt, thus exempting higher education from this provision.

Sec. 11.28 appropriates federal State Fiscal Relief funds to be allocated by the Governor and Legislative Budget Board after implementation of Section 11.15. The provision lays out the priorities for allocating the state fiscal relief funds.

Sec. 12.04 reduces \$97 million in General Revenue appropriations made to agencies and institutions that own real property purchased with General Revenue or General Revenue-Dedicated Funds. Additionally, the Governor and Land Commissioner are authorized to convey interests in real property totaling at least \$97 million of real property during the biennium beginning September 1, 2003 with the proceeds appropriated to be distributed as determined by the LBB and the Governor.

Interim Study

Sec. 11.29 directs the Governor's, Lieutenant Governor's, House Speaker's and Comptroller's Office to conduct a study of financial aid and to consider ways to use available resources to

maximize the total number of students enrolled in higher education. The study is to be completed no later than December 2004.

Amended Provisions

Sec. 4.04. Per Diem of Board or Commission Members – Establishes limitation on reimbursement of advisory committee members to an amount not to exceed 90 percent of the total expenditures for reimbursement of the same advisory committee in FY2003, unless otherwise authorized in writing by the Legislative Budget Board and Governor. Also, encourages agencies and institutions to maximize the use of videoconferencing and teleconferencing and to schedule meetings and locations to reduce the need for overnight stays to the extent possible.

Sec. 5.06. Travel Meals and Lodging Expenses – Authorizes state agencies/institutions to reimburse a state employee for a meal expense incurred while traveling outside the employee's designated headquarters for less than six consecutive hours under specified conditions.

Sec. 5.09. Limitation on Travel Expenditures – Adds new section that excludes travel to the Washington, D. C. area from the out-of-state travel limitation provisions.

Sec. 6.14. Limitation on State Employment Levels – Moves Texas Engineering Extension Service, Texas Agricultural Extension Service, Texas Forest Service, Texas Veterinary Medical Diagnostic Laboratory, and Texas Wildlife Damage Management Service to FTE limitation based on average of four quarters like all other institutions of higher education. Previously these agencies were the only institutions of higher education that were required to meet their FTE cap quarterly.

Sec. 6.33. Reimbursements for Unemployment Benefits – adds subsection defining "agency" to include institution of higher education.

Sec. 6.37. Demographic and Statistical Studies – Adds new section that restricts appropriated funds from being used for political polling, except for a poll conducted by an academic institution as a part of the institution's academic mission that is not conducted for the benefit of a particular candidate or party.

Sec. 6.38. Cost Allocations – New rider that authorizes agencies to allocate salary and other costs to an appropriation temporarily and within 12 months to reimburse the original paying appropriations by transfer from the appropriation to which the expenditure should have been charged.

Sec. 7.05. Contract Notification – Clarifies reporting requirements for contract notification to the Legislative Budget Board.

Sec. 7.06. Reports and References – New rider that requires state agencies and institutions to submit to the Governor's Office all reports, approval processes, notifications, filings, documentation of expenditures, plans, addendums, or updates submitted to the Legislative Budget Board, under provisions contained in this Act.

Sec. 8.02. Federal Funds/Block Grants – Adds new subsection that requires agencies and institutions that receive at least at least \$5 million in federal funds from new programs not anticipated in this Act, or at least \$5 million in additional Federal Funds not estimated elsewhere in this Act, and these Federal Funds are not emergency funds such as disaster assistance, not to expend these funds unless they notify the Legislative Budget Board and the Governor of the receipt of the funds and provide a written plan outlining the use of the funds. If neither the Legislative Budget Board nor the Governor issues a written disapproval within 14 days of the receipt of the notification, the funds may be expended. This provision was specifically intended to include restricted federal funds received by institutions of higher education.

Sec. 9.03. State Data Center – Adds definition for “best value” and other requirements associated with requesting a waiver. Requires agencies and institutions to provide a comparison of actual costs versus projected costs used to obtain the waiver annually to the Legislative Budget Board, once the waiver has been granted. Requires the Department of Information Resources to work with the Legislative Budget Board, the State Auditor’s Office and the State Data Center’s operational vendor to develop a comprehensive information technology consolidation plan and provide information relating to the use of the Center as a location for one of the state’s consolidated data centers. Requires DIR to file a written report of the plan with the Governor, the Lieutenant Governor, and the Speaker of the House of Representatives not later than May 31, 2004.

Sec. 10.09. Informational Listing - Health Care Appropriations – Adds new section that is an informational listing of amounts appropriated specifically for health care services in this Act. The amounts do not include health care appropriations made to institutions of higher education with non-appropriated funds. For purposes of this informational listing, health care appropriations include, but are not limited to, appropriations for Medicaid, inpatient and outpatient services, health care premiums, medications, laboratory services, community care services, nursing facility and hospice payments, rehabilitation services, alcohol and drug abuse treatment, mental retardation, and comprehensive therapies and related services for children with developmental delays. Certain non-health care-related costs, which could not be separated from other health care costs, are also included in the listing.

Amounts total \$20,362.1 million in 2004 and \$19,764.3 million in 2005. Of that total, \$9,137.2 million in 2004 and \$8,678.0 million in 2005 is General Revenue.

Sec. 10.10. Informational Listing on Use of Tobacco Settlement Receipts – Tobacco Settlement Receipts appropriations were made in the relevant agencies through the General Appropriations Act for 2004-05. The previous biennium these appropriations were all made in one article, Art. XII. This rider provides an informational list of the amounts appropriated elsewhere in this Act to agencies from tobacco settlement receipts and estimated distributions from funds and endowments.

Sec. 11.15. Contingency Appropriation Reduction and Contingency Appropriation – Similar to previous provision but with several key changes.

(a) Directs pro-rata reductions to General Revenue and general revenue dedicated appropriations if necessary to certify the General Appropriations Act and directs the Comptroller to report the total amount of reduction to the Legislative Budget Board and Governor.

(b) Appropriates an amount equal to the General Revenue Fund and general revenue dedicated account appropriations that are vetoed by the Governor for the transfers in subsection (c).

(c) (1) Directs the Legislative Budget Board and Governor to make the final allocation of the net appropriation reductions no later than October 1, 2003. The reductions required by subsection (a) and the transfers required by this subsection (c) do not apply to constitutionally dedicated funds; funds necessary for the payment of debt service; funds appropriated to the Employees Retirement System, the Teacher Retirement Fund, and the Foundation School Program; amounts necessary for salaries out of appropriations made in Article IV of this Act; or to items of appropriations designated "estimated." (2) Authorizes the Legislative Budget Board and the Governor to utilize state fiscal relief federal funds for transfer to agencies or institutions that would otherwise be reduced pursuant to this section or other authority and such state fiscal relief federal funds are hereby appropriated in the amount utilized for this purpose. (3) Directs the Legislative Budget Board and Governor to inform each state agency and institution affected by the reductions no later than October 15, 2003.

Sec. 11.18. Appropriation Transfers: Billings for Statewide Allocated Costs – Modified language to reference statute. Statute exempts higher education so higher education is exempt from this provision.

Sec. 11.21. Appropriations Limited to Revenue Collections: Texas Emissions Reduction Plan – Appropriates to the Texas Engineering Experiment Station, 0.75 percent of TERP revenues to be used for administrative costs associated with the Texas Building Energy Performance Standards, Chapter 388, Health and Safety Code (estimated to be \$160,515 in fiscal year 2004 and \$163,710 in fiscal year 2005).

Sec. 11.22. Disaster Related Transfer Authority.

(a) In the event of a disaster proclamation by the Governor, transfers of appropriations necessary to respond to the disaster and in accordance with this section are permitted. The section prescribes the process for transferring funds between health and human services agencies by the Commissioner of Health and Human Services and the process for transferring funds of non-health and human services agencies. The section requires agencies to submit a recommended plan of transfer, including specific information. The section requires an agency to notify the Legislative Budget Board, the Comptroller, the Governor, and any other agency involved in the transfer at least 14 days prior to the date of recommended transfers. If neither the Legislative Budget Board nor the Governor issue a written disapproval within 14 days of receipt of the agency recommended plan of transfer, the Comptroller will transfer the funds as recommended.

Sec. 11.24. Informational Items – New rider stating that Object of expense (OOE) listings contained in this Act after the appropriation to each state agency and institution, and other informational listings are not appropriations, and are merely informational listings that are intended to qualify or direct the use of funds appropriated in agency strategies, or are incidental to the appropriation made in the agency strategies.

Sec. 11.25. Interoperability Communications Equipment: Federal Funding – Directs state agencies that receive any federal funds for interoperability communications equipment by a state agency to expend those funds to establish an interoperable communications system. Agencies include:

- (1) the Texas Parks and Wildlife Department;
- (2) the Texas Department of Transportation;
- (3) the Texas Youth Commission;
- (4) the Texas Alcoholic Beverage Commission;
- (5) the Department of Public Safety of the State of Texas;
- (6) the Texas Department of Criminal Justice; or
- (7) the Texas Forest Service.

Sec. 11.26. Interoperability Communications Equipment: All Appropriated Funding – Directs certain state agencies to spend appropriated funds for the purchase of new radio equipment until the state agency has established an interoperable communications system. Agencies include:

- (1) the Texas Parks and Wildlife Department;
- (2) the Texas Department of Transportation;
- (3) the Texas Youth Commission;
- (4) the Texas Alcoholic Beverage Commission;
- (5) the Department of Public Safety of the State of Texas;
- (6) the Texas Department of Criminal Justice; and
- (7) the Texas Forest Service.

Sec. 11.28. Appropriation of State Fiscal Relief Federal Funds – a) Appropriates State Fiscal Relief federal funds after implementation of Section 11.15 to be allocated by the Governor and Legislative Budget Board in accordance with subsection (b).

(b) Directs the Legislative Budget Board and the Governor to develop a plan that outlines the transfers of these funds based on a priorities listed. These are primarily health and human services related programs and the Texas B-On-Time Loan Program.

Sec. 11.29. Financial Aid Study to be Conducted – New rider directing the Governor's, Lieutenant Governor's, House Speaker's and Comptroller's Office to conduct a study of financial aid, including grants, scholarships, loans, tuition and fee exemptions and waivers, and any other form of financial assistance provided by the State of Texas and public institutions in the state. The rider directs the study to consider ways to use available resources to maximize the total number of students enrolled in higher education. The study is to be completed no later than December 2004.

Sec. 11.33. Texas Enterprise Fund. – Intent rider stating that the Regional Academic Health Center (\$9 million), the El Paso Medical School at Texas Tech Health Sciences Center (\$2 million) and the Laredo Extension Campus of the UT HSC at San Antonio (\$1 million) be considered for funding out of the Texas Enterprise Fund during the 2004–05 biennium.

Sec. 12.04. Sale of Real Property - General Revenue Appropriation Reduction – (a) Reduces \$42.7 million in GR from the Department of Mental Health and Mental Retardation, Department of Criminal Justice, and Building and Procurement Commission and (b) re-appropriates any proceeds from sale of property by those agencies, up to 110 percent of the appropriation reduction. Any surplus reverts to un-appropriated General Revenue.

Subsection (d) reduces \$97 million in General Revenue appropriations made to agencies and institutions who own real property purchased with General Revenue or General Revenue-Dedicated Funds. The specific reductions will be determined by the Governor and Legislative Budget Board. Additionally, the Governor and Land Commissioner are authorized to convey interests in real property totaling at least \$97 million of real property during the biennium beginning September 1, 2003 with the proceeds appropriated to be distributed as determined by the LBB and the Governor.

Deleted Sections

Sec. 6.45. Repayment of Overpaid Food Stamp Benefits

Sec. 6.47. Bulk Purchasing of Pharmaceuticals

Sec. 9.12. Crash Records Information Systems.

Sec. 9.15. Use the "Balanced Scorecard" Concept to Optimize Texas State Government Performance.

Sec. 10.06. Emergency Contingency Reserve

Sec. 10.12 – 10.102 and Part XI. Various Contingencies

This cumulative listing of provisions and riders may not include every change that occurred this session. If a question arises on a particular section, please contact the Office of Governmental Relations.

BILL FACTS

Legislation Filed & Passed

The following table provides a summary and comparison of the disposition of items of legislation for the last two sessions.

Type	78 th Legislative Session			77 th Legislative Session		
	Filed	Passed	%	Filed	Passed	%
HBs	3636	825	22.7%	3701	991	26.8%
HJR	100	15	15%	114	13	11.4%
SBs	1956	557	28.5%	1843	609	33.0%
SJR	62	6	10.0%	54	7	13%
TOTAL	5754	1403	24.4%	5712	1620	28.4%

Bill Analysis Task Force

The Bill Analysis Task Force (BATF) includes individuals with particular expertise who have been selected to provide substantive analyses of legislative bills affecting the A&M System and its institutions. Their analyses are furnished to the Chancellor, his executive officers, Governmental Relations Team members, and campus leaders to support the System's legislative program and to aid in formulating responses to legislation.

The Bill Analysis Task Force tracked **1, 389 bills** this session, or **24.1% of all the bills that were filed**. The Task Force members analyzed **717 of these tracked bills, or 12.5% of all filed bills**.

The breadth of bills that were tracked is indicated by this subject classification: **legal affairs-140 bills, agriculture related-279, finance/general operations-229, engineering, technology, and transportation-related bills-195, health affairs-201, human resources-183, facilities and construction-65, academic affairs-86, and student affairs-11**. Without the support and assistance of the individuals who comprise the Bill Analysis Task Force, the Texas A&M University System would not have been able timely to provide legislators and their staff the information they needed during the session

LEGISLATIVE OVERVIEW

The 78th Legislative Session considered more than 5,700 bills, which taken together impacted a broad range of public policy issues. Since The Texas A&M University System comprises nine academic institutions, eight Land-Grant Agricultural and Engineering service agencies, a health science center, and its System office, a large number of the bills impacted System institutions.

In addition, “general” state agency legislation also impacts the System, since each member institution is also a state agency. Given the overlapping interest and impact, a wide range of topics must be “tracked” throughout the legislative process. Moreover, since the legislative process includes frequent amendments and substitutions, a bill that may have little or no impact when filed, may upon amendment or substitution be transformed into a red-alert bill.

The following is a subject-area summary of bills that passed which directly impact the System and its member institutions.

LEGAL RELATED

HB 4 by Nixon/Ratliff - Relating to reform of certain procedures and remedies in civil actions. Omnibus tort reform bill. (This bill is too complicated and technical for synopsis here. For more information, the reader should contact the Office of General Counsel.)

HB 9 by Flores/Shapiro- Relating to homeland security. HB 9 requires the governor to develop a statewide homeland security strategy. In addition to homeland security issues, the bill also provides for:

- immunity from liability for officers and employees of state or local agency performing homeland security activities, and volunteers performing homeland security activity at request or under direction of officer or employee of state or local agency;
- immunity for state and local agencies furnishing homeland security services under interlocal contract;
- protection from disclosure for information regarding preventing, detecting, responding to, or investigating an act of terrorism or related criminal activity;
- protection from disclosure for information collected, assembled, or maintained by or for governmental entity for purpose of preventing, detecting, or investigating an act of terrorism or related criminal activity and relating to assessment of risk or vulnerability of persons or property to acts of terrorism or related criminal activity;

- protection from disclosure for information collected, assembled, or maintained by or for governmental entity more than likely to assist in making weapons, indicates specific locations of weapons, or unpublished information relating to a potential vaccine or a device that holds biological agents or toxins;
- protects certain encryption codes and security keys;
- protects certain information prepared for federal government;
- makes documents and portions in possession of governmental entity confidential if identify technical details of particular vulnerabilities of critical infrastructure to acts of terrorism;
- makes more security codes confidential, specifically *excludes* information regarding the location of a security camera in a private office of a state agency, including an institution of higher education unless (1) it is in an individual personal residence the state provides security for, or (2) it is in use for surveillance in an ongoing criminal investigation.;
- allows governmental entity to disclose items made confidential in new section of the bill;
- includes veterinary medical diagnostic labs in list of persons who must report certain livestock diseases (i.e., anthrax, etc.).

HB 219 by Hope/Staples - Relating to the display of the United States national motto in public elementary and secondary schools and institutions of higher education. This bill is a reaction to recent court opinions and publicity regarding the display of the phrase, "In God We Trust" (the national motto of the United States) in public places. It is an attempt to create statutory permission for public schools, including universities, to display the motto in classrooms and other rooms and buildings.

HB 425 by Christian/West - Relating to requiring a state agency to consider legislative intent during the process of adopting an agency rule. This bill would require each state agency before giving notice of intention to adopt a rule to determine whether the proposed rule is consistent with the legislature's intent in enacting or otherwise affecting the law and informing each author and sponsor of the legislation that the rule is being considered

VETOED

HB 1297 by Allen/Armbrister - Relating to limits on indemnification of state employees and officials. HB 1297 provides a revised definition of "occurrence" to clarify that a single occurrence can include multiple acts of negligence or occurrences of damages arising out of a single incident.

HB 2032 by Hochberg/Wentworth - Relating to the confidentiality of e-mail addresses under the public information law. HB 2032 clarifies policies regarding the release of e-mail addresses by governmental entities. It maintains that an e-mail address of a member of the public that is provided for the purpose of communicating with the governmental body is confidential. This bill sets forth circumstances under which an e-mail address can be released.

HB 2075 by Hilderbran/Fraser - Relating to regulating health and safety conditions at youth camps. This bill amends the Health & Safety Code regarding health inspections of youth camps to allow operators to correct anything an inspector finds to be in violation while the inspection is underway. If appropriate correction is made, then violation cannot be included on the inspector's

report. The statute is aimed at traditional residential camps, not sports or cheerleader "camps" that take place on college campuses.

HB 2397 by Corte/Williams - Relating to a vendor's or subcontractor's remedy for nonpayment of certain contracts. Legislation adds new remedy to allow vendors to stop performing under contracts with state agencies if they are not paid within the time period set out in the law. The vendors must give notice and provide an opportunity to the agency to remedy the problem. If payment is not made timely after notice, or agency does not properly contest demand, the vendor is free from liability for anything that happens as a result of vendor's ceasing performance under contract. HB 2397 gives the same right to subcontractor who has not been paid by vendor. Makes this provision non-waivable.

SB 84 by Wentworth/Baxter - Relating to the prompt production of public information under the public information law. The purpose of Senate Bill 84 is to define "promptly" in Section 552.221 of the Government Code as having the meaning given by the Attorney General in Open Records Decision 664: i.e., as "soon as possible under the circumstances, meaning within a reasonable time, without delay."

SB 253 by Staples/Pitts - Relating to applicability of the Youth Camp Safety and Health Act to facilities or programs operated by or on the campus of an institution of higher education. SB 253 amends the Health and Safety Code to exempt a facility or program operated by or on the campus of an institution of higher education or private or independent institution of higher education from the provision the Texas Youth Camp Safety and Health Act (Health and Safety Code, Chapter 141). This bill prevents duplicative measures taken with additional inspections by the TDH, because institutions of higher education are already required to meet local health and safety regulations as well as accreditation standards.

SB 473 by Ellis/Giddings - Relating to assisting consumers to prevent and detect identity theft. SB 473 allows a victim of identity theft to place a freeze on his or her credit report and provides for the confidentiality of social security numbers. An institution of higher education that is not subject to the exemption prescribed by the legislation must be in compliance on or before September 1, 2007.

SB 653 by Wentworth/Baxter - Relating to the charges that may be imposed under the public information law for providing a copy of public information. Amends current law to stipulate that charges must be assessed on a per page basis rather than "photocopying costs." This would require some agencies to change the method of accounting for responding to requests. Legislation also amends the law to state that a requestor has 10 business days from receipt of a list of itemized charges to respond. If not, the request is automatically considered to be withdrawn, unless the requestor files a complaint with the Building and Procurement Commission alleging that he is being overcharged.

SB 735 by Lindsay/Flynn - Relating to local government officials serving on state boards. SB 735 adds new law to clarify that it is legal to hold both a local governmental office (e.g., mayor, councilmember, school board member) and also be appointed to a board in the executive branch, including boards of regents. There is some ambiguity in the state conflict of interest laws over this

point. No direct impact on A&M System, but could affect the pool of eligible persons who eligible to be nominated for seats on the board of regents.

SB 833 by Williams/Nixon - Relating to including alumni associations and related in-campus organizations in the Charitable Immunity and Liability Act. Under the Charitable Immunity and Liability Act, certain charitable organizations and their employees and volunteers are protected from liability for grievances arising from actions related to the charitable organization's work. SB 833 would extend this immunity to alumni associations and related on-campus organizations.

SB 919 by Whitmire/Elkins - Relating to the kinds of mail service that may be used under the public information law to send a notice or any other document to a person. Texas law does not expressly authorize a governmental body to use a common or contract carrier such as Federal Express or United Parcel Service when submitting a request, notice, or other document required by Subchapter G (Attorney General Decisions) of the Public Information Act. These carriers now handle a substantial portion of correspondence. The purpose of Senate Bill 919 is to modernize the law in a manner that will permit such methods of delivery.

FINANCE RELATED

HB 261 by Hupp/Fraser - Relating to the eligibility of armed forces personnel and their family members to pay tuition and fees at the rate provided to Texas residents. Previously, dependents of military servicemen/women that were stationed in Texas were permitted to pay in-state tuition at Texas public universities as long as they resided continuously in Texas. Due to different interpretations of the Education Code, however, in certain circumstances Texas universities have denied in-state tuition to children and spouses if the military member were transferred out of state or left the military. HB 261 clarifies statute to ensure that dependents and spouses of military personnel are eligible to continue paying in-state tuition and fees even if the military personnel moves out-of-state or terminates service in the armed forces.

HB 1887 by Morrison/Ratliff - Relating to funds received by institutions of higher education to cover overhead expenses of conducting research. Eliminates authorization to use up to 50 percent of indirect cost income from research grants and contracts as an offset to General Revenue in the funding formulas. In other words, the legislation allows institutions to retain 100 percent of indirect cost recovery and changes the method of financing the general academic institutions. Correspondingly, House Bill 1, the General Appropriations Act, included \$86 million in new funding for the general academics to offset the indirect cost recovery that had previously been used in the method of financing the funding formulas.

HB 1890 by Morrison/Williams - Relating to tuition rebates to certain undergraduate students who graduate from an institution of higher education without excessive semester credit hours. The tuition rebate program permits a college student to apply for a \$1,000 rebate of his or her college tuition upon graduation if the student's undergraduate course requirements have been completed "efficiently," which in some cases means the student has taken as few classes as possible. HB 1890 exempts up to nine hours of advanced placement classes from the total of

"hours attempted." This bill makes the rebate available to more students while furthering the program's goal of efficiency by easing these requirements in the area of advanced placement credit.

HB 2240 by Paxton/Harris - Relating to adoption of the Uniform Prudent Investor Act. This bill would make the law consistent with policies that are already in place related to investments by the A&M System for its investments and the UT System for the Permanent University Fund investments. Investments will be subject to the standard of judgment considered to be that which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs when acting with respect to the permanent disposition of their funds, considering probable income and safety of capital. Previously, investments were held to the "reasonable person" standard.

HB 2425 by McCall/Duncan - Relating to state and certain local fiscal matters; making appropriations. This is a long and detailed bill containing numerous amendments, most of which deal with the Comptroller's office and laws; the following sections impact higher education business operations (bill also impacts human resource issues; please refer to the HR section for those specific issues):

- *Grants permission (*i.e., may*) to the Comptroller to review the effectiveness and efficiency of budgets and operations of general academic teaching institutions. The Governor, Legislative Budget Board, or the governing board of the college or institution may request the Comptroller to initiate a review of an academic institution. Also, a review may be initiated by the Comptroller if the rate of graduation within six years of initial enrollment for entering freshmen students of the institution for the most recent six-year period for which the information is available is less than 35%, as determined by the Coordinating Board. If the governing board of an academic institution initiates a request for review, the institution shall pay 25% of the costs incurred in conducting the review.
- Provides that a state agency or institution of higher education is exempt from any fee charged by a county, municipality, or utility district for the development or maintenance of programs or facilities for the control of excess water or storm water.
- Provides that the Prepaid Higher Education Tuition Board, on request from the Comptroller, may suspend enrollment into the Texas Tomorrow Fund if the Comptroller considers it necessary to ensure the actuarial soundness of the fund.
- Bill provides that universities must accept as payment in full the lesser amount of either tuition and required fees charged by the institution or an amount equal to the weighted average of tuition and required fees of **all** public senior colleges and universities.
- Energy savings performance contracts, allows boards to enter into such contracts, with conditions.
- Amends §403.027(g) Gov't Code, viz., the definition of "digital signature"
- Imposes limitations on educational housing authorities.

HB 2971 by Harper-Brown/Deuell. Relating to the registration of vehicles and the issuance of license plates by the Texas Department of Transportation; providing penalties. This bill is a total rewrite of the specialized license plates section of the code. New section (Transportation Code) 504.615 is designated collegiate license plates. It will authorize the Department of

Transportation to issue a license plate for a college only after the college certifies to the department that it has determined that at least 1,500 persons will apply for the plates. It does make a provision for the money collected for the license plates to be deposited to the credit of the institution of higher education designated on the plates, and the monies generated are supplementary and are not income for the purposes of reducing general revenue appropriations to that institution.

The bill also authorizes the department to discontinue an institution's collegiate license plate if prior to September 1, 2004, the institution is unable to certify that 1,500 license plates have been issued or presold, or \$15,000 has been received by the department for the issuance of the license plates for that institution, or \$15,000 has been deposited with the department for the continued issuance of the license plates for that institution. Effective date: September 1, 2003.

HB 3015 by Morrison/Shapiro - Relating to the tuition charge to students of institutions of higher education. Major higher education legislation changing the rate and manner that designated tuition may be imposed. The bill went through several versions in the House and Senate throughout the session before being finally adopted in the waning hours of the 78th Legislative Session. HB 3015 is effective September 1, 2003; it grants significantly greater latitude to boards of regents to set tuition charges beginning in Spring 2004. The final version adopted contains the following provisions, among others:

Rates

- Boards of Regents "may charge any student an amount designated as tuition that the governing board considers necessary for the effective operation of the institution."
- Boards may set a "...different tuition rate for each program and course level..." or "as appropriate to increase graduation rates, encourage efficient use of facilities, or enhance employee performance."

Financial Assistance

- Boards must set aside not less than 20% of undergraduate designated tuition in excess of \$46 per SCH.
- Boards must set aside not less than 15% of graduate designated tuition in excess of \$46 per SCH.
- Priority is given to THECB's definitions of financial need.
- Each university president must provide to THECB a yearly report that examines affordability and student body characteristics.

Legislative Oversight

- Legislative Oversight Committee on Higher Education is created.
- Membership includes six senators and six house members, with a co-chair from each body.
- Legislative intent for boards to "reasonably implement" the following:
 - Progress in *Closing the Gaps*;
 - Acceptable graduation rates, retention rates, enrollment growth, education equality, minority participation and opportunities for financial aid and affordability.

Affordability Report

- Requires the chief executive office of each institution to file a report with the governing board by November 1 of each year outlining the institution's affordability and access, and sets forth criteria for the report.

Legislative debate by the bill's authors noted the flexibility to charge rates based on course, time of day or as a flat rate. Debate also centered on the need for affordability and the accountability expected to be demonstrated by institutions under the new oversight committee.

HB 3175 by Pitts/Bivins - Relating to the authority of the comptroller of public accounts to manage cash flow by transferring available cash between funds in the custody or under the management of the comptroller. Current law allows the transfer of "surplus" cash, not "available" cash. In addition, current law regarding transfers applies only to funds in the State treasury. This bill extends the ability to transfer to all funds in the custody of the Comptroller. The bill will preserve the equity of the funds so that proper credit is given for earned interest. This bill appropriates to the Comptroller the amount of general revenue needed to return cash to those funds outside the State treasury that transferred available cash to the general revenue fund. No provision is included for the possibility that general revenue will not be sufficient to return available cash transferred.

HB 3526 by Hamric/Duncan - Relating to the establishment of the research development fund to promote research at certain institutions of higher education and to the abolition of the Texas excellence fund and the university research fund. The Texas Excellence Fund and the University Research Fund allocate equal amounts of money under two separate methodologies. HB 3526 abolishes the Texas Excellence Fund and the University Research Fund and creates the research development fund which would allocate its funds a single distribution methodology.

The Texas Higher Education Coordinating Board (THECB) would be required to prescribe standards and accounting methods for determining eligible expended restricted research funds and provide the comptroller with verified information about each institution's eligible amount for use in determining the distribution of funds. THECB would have the authority to audit eligible institutions to verify this information.

As part of the Governor's Veto Proclamation, the funding associated with the research excellence funds was **vetoed** (\$49 million).

SB 4 by Zaffirini/Morrison - Relating to the establishment and operation of the Texas B-On-time student loan program and the creation of a pilot program regarding the retention of certain students at institutions of higher education; authorizing the issuance of bonds. The purpose of the legislation, as stated in the bill, "is to provide no-interest loans to eligible students to enable those students to attend all public and private or independent institutions of higher education in the state."

To initially **qualify** for a loan, one must:

- (1) Be a resident;
- (2) Have graduated high school not earlier than the 2002-03 school year under the recommended or advanced high school curriculum or have received an associate degree not earlier than May 1, 2005,
- (3) Be enrolled pursuing an undergraduate degree;

(4) Also attempt a full course load and be eligible for federal financial aid, except that a person is not required to meet any financial aid requirements applicable to a particular program; and

(5) Comply with any additional nonacademic requirements adopted by the coordinating board.

Once in the *B-On-Time* program, a student may receive loan assistance for each semester only if the person is enrolled in a full undergraduate course load (or associate's or certificate program whatever applicable), and complete at least 75% of the SCH's attempted with at least a 2.5 grade point average (GPA). The coordinating board may also establish additional academic requirements as administrator of the program. The coordinating board may establish rules for eligible students if hardship or other good-cause circumstances prevent them from taking the required SCH's (but not for less than six SCH's).

If a student fails to meet these standards, they may not receive loan assistance during the next semester but may attempt to re-qualify under the aforementioned conditions.

Incentive: If a student qualifies for a *B-On-Time* loan and receives an undergraduate degree (or whatever applicable degree or certificate) within four years (or the standard time for associate degree or certificate) and finishes with at least a 3.0 GPA, then the loan amount is forgiven. An exception of five years is made in the case of engineering, architecture or programs determined by the coordinating board.

If loan forgiveness does not occur, then the coordinating board is authorized to set the repayment terms for recipients.

The coordinating board sets the amount of the loan that is the amount of that for average full-time resident tuition and required fees of all the state's public institutions. ***B-On-Time* is funded by a five-percent set-aside of the designated tuition over the 2002-03 rates, increased debt authority of the coordinating board to assist in funding the program, and general revenue.** The coordinating board shall determine the loan amounts based upon available funding if insufficient funding for all eligible students is determined.

SB 4 also created the *Freshman SUCCESS Program*. The purpose is to "focus on retention of high-risk students who are first generation in college, low-income, and/or educationally underrepresented by providing proactive intervention modalities to meet the demands of college." The coordinating board will develop the program and "address students academic, emotional, behavioral and financial needs as well as cultural barriers." They are to evaluate and recommend the efficacy of such a program.

The coordinating board will report their findings by December 1, 2005.

SB 19 by Ratliff/Farabee - Relating to audit and other related functions of the State Auditor and of certain other state entities. SB 19 amends current law to remove the requirement that the State Auditor's Office (SAO) perform audits and grants the SAO permissive authority to perform these audits. Likewise, the bill requires the SAO to perform a risk assessment and requires approval by the Legislative Audit Committee prior to work being performed. The bill deletes provisions related to task forces no longer in existence and other obsolete provisions.

SB 235 by Fraser/McCall - Relating to the contents of a receipts or other document issued for payment by credit card. SB 235 requires that a receipt or other document issued from a credit or debit card transaction include not more than the last four digits of the account number. SB 235 also prohibits expiration dates from being printed on a receipt or other document issued from a credit card or debit card transaction and provides for a civil penalty not to exceed \$500 a month for

violating these requirements. SB 235 requires a purveyor of cash registers and other similar machines to notify its customers about the above-mentioned requirements.

SB 258 by West/Deshotel - Relating to the tuition charged by institutions of higher education for high school students enrolled in college-level courses. SB 258 authorizes four-year colleges and universities to waive all or part of the tuition and fees for a student concurrently enrolled in high school and a four-year college or university.

SB 1521 by Zaffirini/Morrison - Relating to tuition charged by an institution of public higher education for certain graduate programs. SB 1521 allows the governing board of institution of higher education to set tuition for a graduate school in the same manner it sets tuition for a law school at the institution.

VETOED

ACADEMIC & STUDENT AFFAIRS RELATED

HB 256 by Hochberg/Shapiro – Relating to excused absences for religious holy days for students in institutions of higher education. Currently, a higher education student must notify his or her instructor within the first 15 days of a semester if the student plans to be absent for the observance of a religious holy day. HB 256 removes the stipulation that the student notify the instructor at the beginning of the semester and adds allowance for travel time to the provision. This conforms the higher education policy to the policy for public education students.

HB 529 by B. Brown/Deuell - Relating to the ineligibility of a delinquent child support obligor to receive state-funded or state-administered student financial assistance. HB 529 prevents delinquent child support obligors from receiving a scholarship, a loan associated with an educational loan repayment program, and any other student financial assistance (paid directly to the obligor by the comptroller) that is conditioned on the performance of some service obligation after graduation or to receive a federally funded educational loan that is administered by the state.

HB 944 by King/Estes - Relating to the admission to public institutions of higher education of students with nontraditional secondary educations. With respect to an applicant for admission to the institution as an undergraduate, HB 944 requires an institution of higher education to treat a person who presents evidence documenting that the person has successfully completed a nontraditional secondary education according to the same general standards as other applicants for undergraduate admission who have graduated from a public high school.

HB 1882 by Deshotel/Lucio - Relating to incentives for certain high schools and high school students to participate in the Early High School Graduation Scholarship program. HB 1882 amends Chapter 56 of the Education Code to change the rules of eligibility for the Early High School Graduation Scholarship Program in the following areas:

Eligibility. A Texas resident who attended high school in Texas would be eligible for the program if:

- the student graduated in not more than 41 consecutive months and had the approval of at least one parent or person filling a parental role; or
- the student graduated in not more than 45 consecutive months with at least 30 hours of college credit.

Entitlement. An eligible person under the program would be entitled to a state credit to be applied not only toward tuition but also mandatory fees at a public or private institution, in Texas or out of state, in the following amounts:

- \$2,000, if the person successfully completed requirements for a public high school diploma and graduated from high school in 36 consecutive months or less, and an additional \$1,000 if the person graduated with at least 15 hours of college credit;
- \$500, if the person successfully completed requirements for a public high school diploma and graduated from high school in more than 36 consecutive months but not more than 41 consecutive months, and an additional \$1,000 if the person graduated with at least 30 hours of college credit; or
- \$1,000, if the person successfully completed requirements for a public high school diploma and graduated from high school in more than 41 consecutive months but not more than 45 consecutive months with at least 30 hours of college credit.

Limit on eligibility. Eligibility would end on the sixth anniversary of the date the person first became eligible, unless the person showed hardship or good cause that prevented original or continued enrollment. An eligible person could use the state credit for enrollment in a higher education institution during any semester or summer session, except that the initial use of credit could not be for enrollment during any term of a summer session immediately following the person's high school graduation.

HB 3126 by Truitt/Janek - Relating to educating health professionals.

- Requires the Coordinating Board to adopt procedures for assuring the timely distribution of funding appropriated to fund nursing enrollment growth, for forfeiture and reallocation of money if institutions do not produce information in a timely manner, and for annual reports by institutions on all funds received. Coordinating Board administrative costs are capped at 5%.
- It amends the Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs by limiting its use to programs that provide initial nurse licensure preparation or programs preparing qualified faculty with master's or doctoral degrees until August 31, 2007. Programs at four-year general academic institutions and health science centers are added to the list of programs specifically authorized to receive these grants. The Coordinating Board may give priority to institutions promoting innovation in education, recruitment, and retention of students and faculty, may award grants on a competitive basis, and may consider the availability of matching funds.
- It also allows the Coordinating Board to award TEXAS and Teach for Texas grants in an amount up to three times the amount of the standard grant who has completed at least half of the degree requirements and is currently enrolled in an educational program preparing

the person for licensure in a health care profession determined to have a critical shortage by the Coordinating Board, in consultation with the Statewide Health Coordinating Council and the Texas Workforce Commission. The Coordinating Board may give priority to students in underrepresented groups for that profession and may award different amounts based on the amount of course work completed. Effective immediately.

SB 286 by Shapleigh/Morrison - Relating to the continuation and functions of the Higher Education Coordinating Board. Sunset legislation for the Coordinating Board; issues that the bill addresses include the following:

- New sections require the board to review and revise the five-year master plan; to make and submit to the legislature recommendations regarding the current higher education funding system, including formula funding and any other transfers of legislative appropriations to institutions that support the implementation of the long-range plan; and to study and make recommendations regarding methods for reducing administrative burdens and increasing participation in student financial aid programs. The recommendations regarding financial aid are due to the legislature by November 1, 2004.
- This bill replaces the current Joint Advisory Committee with the P-16 Council. The new council will be composed of the commissioner of education, the commissioner of higher education, the executive director of the Texas Workforce Commission, and the executive director of the State Board of Educator Certification. The bill continues the same duties of the present advisory committee and adds one duty regarding the alignment of secondary and postsecondary education, including curricula and testing and assessment.
- New section requires the Coordinating Board to collect and make available to the public information regarding higher education authorities. The information will include: total amount of outstanding bonds issued by the authority, real property owned by the authority, whether the property is tax exempt, and the current or proposed use of the property.
- This bill requires the general academic teaching institutions to provide performance data to the Coordinating Board in order for the Coordinating Board to prepare a report to be published and posted on the board's Internet site. Beginning with the 2003-04 academic year, each institution shall provide information regarding the entering freshman class and information on student performance and the institution's efficiencies. Each institution will be required to provide a link on the institution's Internet home page to the board's site.
- Beginning September 1, 2003, the bill eliminates the eligibility of resident physicians in approved family practice residency training programs for the physician loan repayment program.
- New section of the bill requires the Coordinating Board to approve a common course numbering system for lower-division courses to facilitate the transfer of those courses among institutions by promoting consistency in the designation and identification of courses. The board can only approve a system currently in place in this state. The new section further requires that each institution include in its course listings the applicable course numbers from the common course numbering system approved by the board
- The bill makes changes to several of the financial aid programs administered by the Coordinating Board including the physician loan repayment program, the early childhood child-care worker loan repayment program, the loan repayment program for attorneys employed by the Attorney General and the Teach for Texas loan repayment program

- This bill repeals the statutes for the Texas Academic Skills Program and replaces it with a new program called the *Success Initiative* to assess the academic skills of entering undergraduate students to determine students' readiness to perform freshman-level academic coursework. The Coordinating Board will designate one or more instruments of assessment. The goal is for the high school exit-level assessment to be the primary assessment instrument by September 1, 2005. If a student does not meet the assessment standards established by an institution, the institution shall advise and may refer the student to developmental coursework. The bill authorizes the state to continue to fund non degree-credit developmental courses; a general academic teaching institution cannot receive funding for developmental coursework taken by a student in excess of eighteen semester credit hours and a public junior college cannot receive funding for developmental coursework in excess of twenty-seven semester credit hours. The bill does continue to provide exemptions for students who achieve a certain score on the SAT, ACT, or the high school exit-level assessment instrument. The bill does provide exceptions for students in certain extenuating circumstances. Each institution will be required to report annually on the success of its students and the effectiveness of its Success Initiative.
- This bill also requires the Coordinating Board to establish and administer the doctoral incentive loan repayment program for eligible participants. To be eligible for the program, an individual must be from a group that is underrepresented among the faculty and administration of public and independent institutions of higher education in this state. An individual must satisfy one of the following criteria: be from a low socioeconomic background while pursuing the individual's undergraduate education, or have graduated from a high school with a disproportionately low number of high school graduates enrolled in higher education. The individual must be employed as a full-time faculty member or administrator in a public or independent institution for at least one year, be a Texas resident, be from a group that is underrepresented among the faculty and administration, and have qualified for student financial aid based on the financial need while enrolled in a graduate-level degree program. The student would apply to the Coordinating Board for the loan guarantee or for the loan. An individual may receive assistance in an amount not to exceed \$100,000. The Coordinating Board can accept appropriations, gifts, or grants from any public or private source to fund this program.
- Each institution will be required to set aside \$2 for each semester credit hour for each student enrolled in a doctoral degree program, other than law or a health professional degree program. The institution will be required to deposit these funds with the Comptroller to fund this program.
- This bill directs the Coordinating Board to establish a pilot project which would provide for three public junior colleges to examine the feasibility and effectiveness of authorizing public junior colleges to offer baccalaureate degree programs in the fields of applied science and applied technology. The three junior colleges will be permitted to offer up to five baccalaureate degree programs under the project. The Coordinating Board is required to recommend that the public junior colleges receive substantially the same state support for junior-level and senior-level courses offered under the pilot project as that provided to a general academic teaching institution for substantially similar courses. The Coordinating Board must prepare a progress report on the pilot project by not later than January 1, 2009. Community colleges would be prohibited from enrolling new students in the pilot

project after the 2011 fall semester unless the legislature continues the program. Effective date: September 1, 2003.

SB 814 by Averitt/Haggerty - Relating to an exemption for certain military personnel and veterans from the requirement of the Texas Academic Skills Program. SB 814 expands the exemption from the TASP to include reservists and national guardsmen with three years of service and any veteran honorably discharged, retired, or released from the above-mentioned branches of the military since August 1, 1990.

SB 1007 by West/Giddings - Relating to student eligibility for a TEXAS grant based on preliminary high school transcripts. SB 1007 allows students to meet initial eligibility requirements for the TEXAS Grant program if, at the time the institution awards TEXAS grants, the student has not completed the Recommended or Advanced High School Program, but is on track to complete the curriculum. The student may be required to forgo or repay the amount of an initial TEXAS grant if the student fails to complete the required curriculum.

In addition to the current hardship provision for students who enroll for fewer hours than are required, it provides a hardship provision for students whose grade point average or completion rate falls below the satisfactory academic progress requirements.

It authorizes a qualifying student to receive both a TEXAS Grant and a Tuition Equalization Grant (TEG) in an academic year not to exceed tuition and fees charged to the student (originally filed as HB 3209 by Heflin/Ratliff).

It also allows institutions to use Pell grants to cover any difference in the amount of a TEXAS Grant and the actual amount of tuition and required fees at the institution.

SB 1366 by Bivins/Eissler - Relating to eligibility under the Early High School Graduation Scholarship program. SB 1366 amends the requirements to require a student to graduate early with a recommended or advanced diploma in order to be eligible for the early graduation scholarship. The bill also provides for a student who does not satisfy the curriculum requirements due only to circumstances out of the student's control.

SB 1876 by Ratliff/Coleman - Relating to the conditional grant program administered by the Department of Transportation. The Texas Department of Transportation's (TxDOT) conditional grant program is open to female and minority students attending a Texas public institution of higher education with the intention of working as civil engineers for TxDOT for two years after obtaining a degree. Because the program is race and gender-based, it was thought that the program could possibly be vulnerable to legal challenges. SB 1876 establishes eligibility for the program based on "economic disadvantage" and deletes statutory references to women and minority applicants.

GENERAL OPERATIONS

HB 2033 by Menendez/Frasier - Relating to historically underutilized businesses that perform investment brokerage services for a state agency. HB 2033 sets forth a definition of "contract" as including an arrangement under which a state agency receives professional or investment brokerage services. This bill also provides that including the definition is for the purpose of aiding in the measurement and attainment of a state agency's goals.

HB 2485 by Hochberg/Ratliff - Relating to internal auditing of state agencies. HB 2485 requires small agencies (defined as agencies that have an annual operating budget less than \$10 million or an agency that has less than 100 full-time equivalent employees as authorized by the General Appropriations Act) to complete an annual written risk assessment, and to require the state auditor to evaluate the risk assessments and recommend audits for those with significant financial, managerial or compliance risk, or significant risk related to the use of information technology.

HB 3042 - Cook, R./Ellis, R - Relating to the administration and functions of the Texas Building and Procurement Commission and related matters. This bill requires state agencies to report to the Building and Procurement Commission on a monthly basis regarding the vehicle fleet reporting system. Currently, agencies are required to report not more than twice a year.

The vehicle fleet management plan of each state agency must address the procedures to handle surplus or salvage property. The amendments require a state agency to transfer surplus or salvage vehicles identified in the plan to the commission to dispose of the surplus or salvage vehicle subject to Chapter 2175. Higher education institutions are exempt of that Chapter.

One amendment in this bill is a new section stating that the general purchasing statutes do not apply to obtaining outside legal services, expert witnesses, or procuring litigation-related goods and services for which competitive procurement is not feasible. The bill contains another new section stating that the attorney general may require state agencies to obtain outside legal services through a competitive procurement process, under conditions prescribed by the attorney general.

SB 147 by Barrientos/Elkins - Relating to the adoption by state agencies of risk management and control strategies. The purpose of Senate Bill 147 is to require each state agency that falls under the oversight of the State Office of Risk Management (SORM) to develop a risk management plan, and to implement various other procedures which will help to assess and control state agency risks. Since the A&M System does not fall under SORM oversight, this bill does not directly impact TAMUS.

VETOED

SB 349 by Armbrister/Pitts - Relating to the intellectual property rights of the Department of Information Resources and certain other state agency intellectual property matters. SB 349 repeals Section 2054.124 of the Government Code, which requires each state agency to perform a biennial audit of software licenses for software installed in the agency's computers. The bill also amends the Government Code to give the department the explicit authority explicit to acquire or hold intellectual property rights through patents, copyrights, trademarks, and other intellectual property rights, and to require any revenue acquired from intellectual property to be paid to the general revenue fund.

SB 693 by Gallegos/Eiland - Relating to flame effects and pyrotechnics before an assembly. SB 693 adopts standards set forth by the National Fire Protection Association and incorporates them into the Occupations Code in order to create statewide standards and procedures to be applied to the use of flame effects and pyrotechnics in Texas. Legislation prohibits the use of such effects unless they comply with NFPA Standards 1126 and 160 and additional requirements,

including the presence of certain safeguards, licensed operators, and a permit from the proper local authority. In addition, SB 693 sets forth the requirements for obtaining a flame effects or pyrotechnics operator's license, and requires applicants for such licenses to be covered by certain kinds of liability and worker's compensation insurance.

The impact to the A&M System will most likely be in the areas where special events (concerts, fire works displays) are coordinated. It will become imperative that contracts for these events be written such that the necessary regulations are reviewed and permits and licenses are obtained prior to the event. Smaller scale events (any event with an audience over 50 people) with flame effects or pyrotechnics (high school chemistry fair) will also be impacted and must be handled similarly.

SB 775 by Averitt/J. Keffer - Relating to the use of TexasOnline by state agencies. S.B. 775 requires state agencies with TexasOnline services to assist the TexasOnline Authority with marketing; also requires each state agency that maintains a generally accessible Internet site and that uses TexasOnline shall include a link to TexasOnline on the front page of the site.

SB 912 by Ratliff/Naishtat - Relating to surplus and salvage computer equipment. Senate Bill 912 provides that a nonprofit computer bank that solicits, stores, refurbishes, and redistributes used computer equipment to public school students and their families is included in the definition of "assistance organization." The bill then amends the Government Code to allow university systems to transfer surplus or salvage property to an assistance organization designated by a school district at either an agreed price or for free.

SB 1000 by West/Goodman - Relating to a statistical or demographic analysis conducted by the Legislative Council for a state agency and to information collected by the council in the course of performing the analysis. SB 1000 codifies a provision in the General Appropriations Act that requires a state agency to determine if Texas Legislative Council resources are available to perform a legislatively mandated statistical or demographic analysis of data before the agency uses **appropriated funds** to contract with a consultant or other private form of assistance to perform the analysis. The purpose of Senate Bill 1000 is to help ensure that state resources are used efficiently by requiring state agencies to determine if Texas Legislative Council resources are available to conduct a statistical or demographic analysis before entering into an outside contract for such services.

SB 1652 by Shaprio/Morrison - Relating to institutions of higher education, including the Administration, operation, governance, and financing of those institutions. Omnibus administrative "deregulation" bill for higher education. Key provisions of the bill (other than venue and mineral rights) provide for:

- Rule-making process of the state Department of Information Resources will be modified for higher education institutions. (ITCHE)
- Raises dollar Threshold for "Major Consulting Services Contracts" by \$10,000 and permits Boards of Regents to issue findings of fact for major consulting service contracts
- Hiring outside legal counsel for technology issues will no longer require approval of the attorney general;

- To respect donors' wishes, provides an exception to the Public Information Act for personal information regarding donors to higher education Institutions who request anonymity
- Amend credit card fee statute so it may be used by Institutions under contract with Visa and MasterCard
- Reduce from one Year to 30 Days the amount of time higher education institutions must wait before they can rehire a Teacher Retirement System (TRS) Retiree
- Exempt higher education institutions from Mandated Across-the-Board Salary increases provided there is a pay for performance program in place at the institution
- Employee-leave management will be delegated to governing boards;
- Postdoctoral fellows who are paid through federal grants will be able to receive health benefits;
- Modify State Law to Require 10 Years of Service for Employees of the University of Texas System and the Texas A&M University System to be vested for Group Insurance Coverage upon retirement for employees hired after Sept. 1, 2003.
- Allow the Board for Lease of University Lands to meet by telephone conference call
- Authorize Boards of Regents to establish their own Deferred Compensation Plan
- Clarify State Law so that "Damages" to a party in connection with the condemnation of a real property interest may not include the capitalized value of property tax exemptions
- Clarify Ad Valorem tax exemption to ensure that the portion of mixed-use buildings used for public purposes remains tax exempt
- Permit the use of legal contingency fee contracts when hiring outside counsel to increase recovery of amounts due the institution
- Extend Guaranteed Student Loan (GSL) Litigation Filing Fee exemption to Institutions of Higher Education
- Eliminate state reimbursable payroll processing by higher education institutions and allow reimbursement based on summary reporting
- Requires that HUB utilization be included in strategic plans of higher education

Duplicate or overlapping reports will be reduced. Examples are the following:

- Elimination of requirement to file intellectual property policy with higher education commissioner because it is posted on an institution's website;
- Elimination of requirement to report twice a year to the LBB on **purchases from non-resident bidders; elimination of recycled products reporting;**
- Elimination of biennial reports to the Building and Procurement Commission regarding a higher education institution's construction projects.

This bill was also amended to include:

- Study of organization, operations, and funding of higher education
- PVAMU intercollegiate athletic fee bill language
- UNT Language for Dallas (lowering FTSE threshold)
- Tuition exemption for adopted students formerly in foster or other residential care

- Section 53 bonding authority language. Language restricts the ability of higher education authorities to construct facilities that are not directly associated with a state university. The intent of the provision is to limit the use of these tax-exempt bonds to projects approved by the affected institution of higher education.

SB 1701 by Wentworth/Pitts - Relating to the Department of Information Resources' management of certain electronic and telecommunications projects. SB 1701 restructures the administrative responsibilities of DIR to ensure that it continues to provide valuable technology-related services to state agencies. This bill amends various statutes relating to the Department of Information Resources. The bill statutorily establishes the quality assurance team by using employees of the department, LBB, and the State Auditor's office. In the various reviews performed by DIR a new element of review will be return on investment and a cost-benefit analysis. The bill directs additional information to be furnished in each agency's strategic plan for information resources and the biennial operating plans.

The bill adds language in regard to the State Data Center; mandates that all state agencies and institutions of higher education utilize the center for data center operations, testing disaster recovery plans, and for disaster recovery services. **No state funds** may be expended for entering into or renewing contracts or issuing purchase orders for data center operations, disaster recovery plan testing services, or disaster recovery services from other state agencies or other providers of these services without first obtaining a waiver from the Legislative Budget Board certifying that the requested service requirements cannot be provided at reasonable costs through the center. Waiver requests will be evaluated by the Legislative Budget Board, based on best value to the state, rather than best value to the state agency or institution of higher education requesting the waiver.

FACILITIES RELATED

HB 329 by Naishtat/Fraser - Relating to the regulation of mold assessors and remediators. HB 329 requires mold assessors and remediators to be licensed and authorizes the Texas Department of Health at its discretion to require employees thereof to be registered, requires TDH to conduct inspections, and provides for a statewide education and outreach program on the importance of and methods of improving indoor air quality. The bill will require A&M System components to contract remediation work to an outside entity for large-scale projects, potentially increasing the cost to the component.

HB 1171 by Madden/Ratliff - Relating to the notice required to be given to a governmental entity to recover in a suit on a payment bond. The new provision requires that the notice required to perfect a claim from the government entity when a payment bond does not exist is the same notice required to the bonding company when a payment bond is issued by a bonding company.

HB 1487 by Driver/Armbrister - Relating to the licensing and regulation of certain electricians. There is currently no state law in Texas that requires an individual or company that performs electrical work to hold a professional license to perform such work. This bill proposes to

establish such a license requirement which should raise the standards of the electrical contracting and repair industry in Texas.

HB 1699 by Kuempel/Averitt - Relating to the liability of highway, road and street contractors. Creates new protection from liability for contractors sued because of injuries or death arising out of the construction work so long as the contractor is in substantial compliance with the specifications for the work as provided by the governmental unit they are doing the work for. Also says that if the contractor is not in substantial compliance they may be liable. Would help contractors but not directly affect TAMUS other than possibly reducing the price of contracts if bidders do not have to pay as much for liability insurance because of protection provided by bill.

HB 2081 by McReynolds/Ratliff - Relating to an exemption from the Engineering Practices Act for certain public works. Currently, a public work project that involves structural, electrical, or mechanical engineering is exempt from the Texas Engineering Practice Act if the value of the completed project is \$8,000 or less. This amendment would increase that amount to \$20,000.

HB 2397 by Corte/Williams - Relating to a vendor's or subcontractor's remedy for nonpayment of certain contracts. Adds new remedy to allow vendors to stop performing under contracts with state agencies if they are not paid within the time period set out in the law. Must give notice and opportunity to cure to agency. If payment is not made timely after notice, or agency does not properly contest demand, vendor is free from liability for anything that happens as a result of vendor's ceasing performance under contract. Gives same right to subcontractor who has not been paid by vendor. Makes this provision non-waivable.

HB 2425 by McCall/Duncan - Relating to state and certain local fiscal matters; making appropriations. This was the omnibus Comptroller bill. Bill contains provisions authorizing institutions of higher education to enter into energy savings performance contracts. The section also requires payment of a performance bond. Methods of finance for energy savings performance contracts may include lease-purchase, bonds proceeds, and vendor financing. Contracts under this section must be let as professional services.

SB 416 by Harris/Flores - Relating to the regulation of boilers. SB 416 would allow a greater interval of time between the required inspections of certain boilers and associated equipment. The greater intervals in most cases would be permissible especially since most boiler owners generally have inspections and overall maintenance performed when a boiler is off-line for other reasons.

SB 599 by West/Corte - Relating to investigation and testing, technical assistance, certain other matters related to indoor air quality in state buildings. SB 599 requires the Texas Building and Procurement Commission to refer all indoor air quality testing matters, except for asbestos, to the Texas Department of Health. The bill requires TDH to contract with an entity that specializes in research and technical assistance related to indoor air quality, but does not receive appropriations from the state, to identify potential threats to the indoor air quality of state buildings and produce a report of findings and a recommended plan of action for addressing indoor air quality issues in state buildings.

SB 1331 by Ratliff/Callegari - Relating to procurement procedures for construction-related services for public school districts, institutions of higher education, and the Building and Procurement Commission. Current law prohibits the institution's engineer, architect, or construction manager-agent for a project from serving, alone or in combination with another, as the construction manager-at-risk. This bill would provide an exception if the engineer or architect is hired to serve as the construction manager-at-risk under a separate or concurrent procurement conducted in accordance with the law. This subsection does not prohibit the institution's engineer or architect from providing customary construction phase services under the engineer's or architect's original professional service agreement in accordance with applicable licensing laws.

HUMAN RESOURCE RELATED

HB 89 by McClendon/Barrientos - Relating to a leave of absence for certain state employees who are donating an organ, bone marrow, or blood. HB 89 Allows state employees to take up to five working days per fiscal year of paid leave to serve as bone-marrow donors and up to 30 working days per fiscal year to serve as organ donors. The legislation allows sufficient time up to four times per fiscal year to donate blood, provided the employee obtains advance approval from the supervisor and provides proof of the donation.

HB 174 by Howard/Estes - Relating to benefits for members of the state military forces called to active state duty. This bill extends to members of the state military forces called to active state duty the same rights and re-employment protections that apply to members of the federal armed forces who are called to active duty. This will require minor modification to the leave without pay regulation. Effective immediately.

HB 256 by Hochberg/Shapiro - Relating to excused absences for religious holy days for students in institutions of higher education. HB 256 removes the notification requirement for students who wish to be excused from classes or assignments due to a religious holy day. The bill extends excused time to include travel due to the holy day and charges the Coordinating Board with setting rules.

HB 258 by Pickett/Madla - Relating to correcting errors in the distribution of benefits by a public retirement system. HB 258 allows for the correction of overpayments or underpayments to retirees under TRS. The correction period is limited to overpayments made during the three years preceding the discovery of the overpayment. Effective immediately.

HB 264 by Brown, F/Hinojosa. - Relating to supplemental contributions to the optional retirement program by institutions of higher education. Legislation allows institutions of higher education to provide the same supplemental state contribution to all ORP participants. The employer must provide the supplemental funding if they wish to exceed the current 6% state contribution rate for the non-grandfathered participants. Effective immediately.

HB 1075 by McCall/Ellis - Relating to criminal history record information for state agency information technology personnel. HB 1075 gives state agencies, including higher education, authority to obtain criminal history background information from DPS on applicants, employees, contractors, subcontractors and interns who have access to information resources or information resources technologies, excluding desktop computers or telephones assigned to that person.

The bill imposes the requirement that before information can be obtained from DPS policies and procedures be established, and reviewed by the Attorney General's Office, stating that evidence of a criminal conviction or other information obtained under this statute does not automatically disqualify an individual from employment and that the determination of whether the person will be hired or retained will be done on a case-by-case basis using factors included in the statute.

HB 1075 also provides that a more specific law regarding criminal history information that is more specific to the state agency prevails.

HB 1221 by Telford/Van de Putte- Relating to an exclusion from unemployment compensation chargebacks based on a separation from employment resulting from an employer being called to active military duty. HB 1221 amends current Unemployment Compensation Insurance law to specify that chargebacks cannot be made against an employer for those employees or former employees who were called to active military service in any branch of the U.S. armed forces on or after 1/1/03. This bill has immediate effective.

HB 1735 by Delisi/Janek- Relating to disease management services under certain state-funded or state-administered health plans. HB 1735 requires our health plans to provide disease management programs, study the results of such programs and report to the state a determination of savings attributable to these programs by 2005. Effective immediately.

HB 2001 by Dutton/Harris - Relating to notice to an employer of a court order requiring an employee to provide medical support for the employee's child. Legislation requires an employer to recognize a national medical support notice (under Section 154.186, Family Code) and enroll the mentioned child(ren) in the same way that we currently process medical support orders received from the Texas Attorney General. Effective July 1, 2003.

HB 2169 by Telford/Shapiro- Relating to the payment of retirement benefits to retirees who are employed by certain public educational institutions. HB 2169 adds the definition of a "third-party entity" as an entity retained by a Texas public educational institution to provide personnel to the institution that perform duties or provide services that employees of the institution would otherwise perform. TRS retirees who are employees of such third-party entities are considered to be employees of the institution for purposes of the loss of monthly TRS benefits unless the retiree does not perform duties or provide services on behalf of or for the benefit of the institution. This change applies only to a TRS retiree who was first employed by a third-party entity on or after May 24, 2003. Effective immediately.

HB 2359 by Ritter/Armbrister - Relating to the programs and systems administered by the Employees Retirement System. HB 2359 applies to ERS participants regarding the suspension of annuity payments, supplemental payments and electronic filings. No impact to the A&M System. Effective September 1, 2003.

HB 2425 by McCall/Duncan - Relating to state and certain local fiscal matters; making appropriations. Omnibus comptroller bill that addresses the following human resource related issues:

- Increases vacation accrual rates by one hour per month and carryover rates by 12 hours per year.
- Cleans up some language on vacation and holidays for clarification.
- Changes use of sick leave for parent-teacher conferences from eight hours per calendar year to eight hours per fiscal year.
- Allows an employee to authorize a pay deduction for a membership fee to an organization of at least 2,000 active or retired state employees who hold or have held certification from the Commission on Law Enforcement Officer Standards and Education.
- Immediate effective.

HB 2933 by Flores/Barrientos - Relating to the transfer of the Commission on Human Rights to the Attorney General. HB 2933 abolishes the Texas Commission on Human Rights and transfers its powers and duties to a newly established Texas Workforce Commission civil rights division. Effective on certification by federal agencies.

HB 3208 by Heflin/Averitt -Relating to the temporary provision of lump-sum payments to certain retiring members of the Employees Retirement System. This legislation only applies to ERS participants. Establishes a one-time lump sum payment for ERS participants who are eligible to retire and elect to receive a service retirement annuity on or after August 31, 2003, and before September 1, 2005. If the member is eligible to retire on August 31, 2003, he or she must retire on that date. If a member is eligible to retire after August 31, 2003, and before September 1, 2005, he or she must retire in the month in which the member first becomes eligible. The lump-sum payment amount is 25% of the individual's total regular salary for the 12-month period preceding the month in which the member retires. This bill does not apply to individuals taking disability retirement. No impact to the A&M System. Effective immediately and expires January 1, 2006.

HB 3308 by Capelo/Hinojosa - Relating to the payment of wages through a direct deposit plan. HB 3308 authorizes an employer to offer the option to pay wages through a direct deposit arrangement into the employee's account with a financial institution. No impact because the A&M System is already offering direct deposit. Effective immediately.

HB 3442 by Pickett/Averitt - Relating to statutory authority to reduce appropriations made by the legislature to certain governmental entities. HB 3442 is an omnibus bill. Section 16 of the bill sets management to full-time equivalent ratios that increase by one each year, beginning with a ratio of 1 manager to 8 FTEs beginning March 31, 2004, to 1 manager to 11 FTEs by August 31, 2007. The current ratio is 1 manager to 11 FTEs. This applies to higher education. Legislation also limits the human resources/employee staffing ratio in large state agencies, but specifically excludes higher education.

HB 3459 by Pitts/Bivins - Relating to statutory authority to reduce appropriations. HB 3459 establishes a 90-day waiting period for TRS participation for those hired after September 1, 2003. Legislation requires rehires who withdraw contributions to wait 90 days to participate again, but

allows those with intact accounts to begin participating immediately. The bill allows employees to buy service credit for the waiting period once they become participants. **Although the act does not address ORP, these provisions would also apply to the ORP.** The changes will require modification of processes, regulations, manuals and forms. Effective September 1, 2003.

SB 89 by Wentworth/Davis - Relating to compensatory time for persons governing state agencies. SB 89 prohibits board members and governing officers from accruing compensatory time. State law allows FLSA exempt employees to accrue state compensatory time. However, A&M System policy does not allow exempt employees to earn federal or state compensatory time **so this will have no impact.**

SB 674 by Estes/Rose - Relating to compensatory time off for certain persons who are employed by the state as peace officers. This bill grants state compensatory time to police officers who work on a state or national holiday that falls on a Saturday or Sunday. Legislation extends a provision that formerly applied only to DPS officers to most commissioned peace officers, including those in the A&M System. Other state employees do not receive time off for state or national holidays that fall on weekends, and those holidays are not included in determining the number of holidays that higher education employees can observe. Effective immediately.

SB 1370 by Duncan/Delisi - Relating to certain group benefit plans provided to certain governmental officers, employees, and retirees and their dependents. This bill contains several significant changes to eligibility for benefits and State contribution.

- **Retiree SGIP Eligibility Criteria**
Changes the criteria to 65 with 10 years of creditable service OR "rule of 80" with at least 10 years of service credit. Allows current retirees to continue their benefits, unless they have a break in coverage. (This would apply to terminated employees not yet returned to enroll in coverage or retirees not currently enrolled in benefits).
- **Waiting period**
Changes eligibility, for health coverage only, to the first day of the month following the 90th day after the employee performs services for a system. Eligibility can begin on the first day the employee performs services if the money provided for health coverage premiums due for the period before the eligibility date specified above, does not come from GR funds. If an individual goes off the payroll and does not retire at the end of the month he/she "goes off" payroll, eligibility for benefits becomes the first day of the month after the 90th day after retirement. (*This applies to terminating employees returning to retire when 65 w/10.*)
- ***SGIP funding**
Limits the SGIP funding such that the System may not contribute more than 100% of the cost of basic coverage and 50% of the cost of dependent coverage for full-time employees. The System may not contribute more than 50% of the cost of basic coverage and 25% of the cost of dependent coverage for less-than-full-time employees. However, the System may contribute amounts in excess of those specified above for **graduate student** workers as long as the money does not come from GR.
- ***Requires that if the A&M System decides to participate in the ERS plan it can no longer participate under section 1601.**

SB 1652 by Shaprio/Morrison - Relating to institutions of higher education, including the Administration, operation, governance, and financing of those institutions. Omnibus administrative “deregulation” bill for higher education. Key human resource provisions of the bill include the following:

- Allows TRS retirees to be re-employed after 30 days of retirement, instead of the current calendar year.
- Adds extensive language allowing an institution of higher education to set up a deferred compensation plan for its employees. The language is general enough to allow institutions flexibility in plan design and administrative detail (effective 1/1/04).
- Allows institutions of higher education to use money appropriated for across-the-board salary increases to give salary increases instead under a pay-for-performance plan.
- Changes the retiree health coverage eligibility requirements for those hired after 8/31/03 or retired after 8/31/03. To be eligible for A&M System retiree health benefits, those retirees will have to have 10, rather than the current 3, years of service with the A&M System.
- Includes grandfathering language to apply the current retiree health coverage eligibility requirements to those employed or retired and eligible for group insurance benefits on 8/31/03. This provision overlaps new retiree eligibility criteria created in SB1370.
- Removes separate language for health and dental units in PTO provisions. It's unclear if the intent is to change the effective date for those units to the 9/15/05 date for other components or simply to recognize that the effective dates for those units has passed (9/1/02).
- Extends group insurance eligibility to post-doctoral fellows (effective 9/1/03).

SB 1800 by Van de Putte/Corte - Relating to state employee military leave. Legislation clarifies some language on paid military leave.

- Changes the provision allowing paid leave for National Guard service to allow paid leave only for state employees called by the governor to state active duty as members of the state military forces. Those called for federal duty are treated the same as others called to federal active duty.
- Requires that those activated to military services be given a statement showing their state comp time balances and that requests to use state comp time before it expires be accommodated.
- Allows employees to use vacation and state or federal comp time while on military leave to maintain benefits for themselves and their families.
- Requires employers to review state health insurance issues with employees before they leave for military service.
- Allows employees activated for military service to continue to accrue service credit with ERS by using at least one hour of vacation, military leave, state or federal comp time or approved agency differential pay each month.
- Codifies and requires the use of emergency leave for differential pay during military service, a practice the Governor authorized as an option in late 2001.

ENGINEERING RELATED

HB 9 by Flores/Shapiro - Relating to homeland security. Provides a centralized communication and coordination effort on homeland security, requires the governor to develop a statewide homeland security strategy, provides immunity from civil liability for certain acts and provides confidentiality of certain information. Creates the Critical Infrastructure Protection Council to serve as the operational advisory group for homeland security at the state level and creates the Texas Infrastructure Protection Communications Center.

HB 242 by Seaman/Van de Putte - Relating to career and technology education and training. Addresses career and technology education issues in several ways, including broadening the participation of industry and business representatives in educational planning activities and allowing a school district to recognize a student's achievement in a career and technology program.

HB 1208 by Lewis/Shapiro - Relating to the mitigation of traffic congestion on highways; providing penalties. Defines "exclusive lanes" for use by trucks or as managed lanes, and gives TxDOT and cities the authority to restrict, by class of vehicle, through traffic to two or more designated lanes of a highway.

HB 3588 by Krusee/Ogden - Relating to the construction, acquisition, financing, maintenance, management, operation, ownership, and control of transportation facilities and the progress, improvement, policing, and safety of transportation in the state. Addresses the full scope of transportation issues in Texas. It creates new financing tools to generate the funding needed to maintain a working transportation system and it will begin to plan and construct a new set of intermodal transportation facilities. Regional Mobility Authorities will give localities greater flexibility in addressing their local transportation needs.

SB 275 by Nelson/Solomons - Relating to the abolition of the Department of Economic Development. Renames the Texas Department of Economic Development as the Texas Economic Development and Tourism Office (TEDTO) and transfers the office to the Office of the Governor. The bill specifies the various duties of the office including, but not limited to: (1) tourism promotion as the office's primary duty and establishes TEDTO as the sole state governmental entity responsible for out-of-state tourism marketing efforts; (2) abolishes the Texas Aerospace Commission and transfers its functions into TEDTO, renaming it as the Texas Aerospace and Aviation Office; (3) requires TEDTO to work with industry clusters and to work with local governments, local economic development organizations and higher education and training organizations to strengthen the competitiveness of industry clusters; and, (4) creates the Product Development and Small Business Incubator program.

SB 277 by Ellis/Chisum - Relating to the continuation and functions of the Board of Professional Engineers and to the regulation of the practice of engineering. The bill continues the Board of Professional Engineers for another 12 years. The bill also requires the board to form a joint practice committee with the Board of Architectural Examiners, authorizes restitution as part of an informal settlement conference, requires continuing education for licensees, and clarifies that the terms "engineer" and "engineering" can be used by individuals

other than licensed professional engineers who are operating within the scope of their duties for their employer.

SB 280 by Nelson/Solomons - Relating to the continuation and functions of the Workforce Commission. Continues the Texas Workforce Commission with a new sunset date of 2009, makes changes to provisions related to local workforce boards, changes provisions related to adult education and literacy services, changes all references to "proprietary schools" to "career schools and colleges", among other changes.

HEALTH SCIENCE CENTER-RELATED

Research Related Bills Legislation

HB 1097 by Capelo/Gallegos - Relating to the birth defects monitoring program. Requires the Department of Health to establish an active birth defects monitoring program, and authorizes the Department to also passively collect birth defects information. Current law makes the monitoring program permissive, not mandatory. Effective on September 1, 2003.

SB 330 by Nelson/Capelo - Relating to access to certain private medical information. Repeals Sections 181.101 and 181.102 of the Health and Safety Code, which established state consent requirements for sharing of medical information for purposes of research. These state requirements are more restrictive than current federal HIPPA regulations, and repeal of these sections makes federal law govern release of medical information for purposes of research. Effective September 1, 2003.

Schools of Public Health Related Legislation

HB 2292 by Wohlgemuth/Nelson - Relating to the provision of health and human services. Sec. 2.33 adds schools of public health to the list of potential recipients of Department Health grants from the Permanent Fund for Health and Tobacco Education Enforcement. (This is a 90+ page bill that contains other health and human service changes, to be summarized later in the report under "Other Health/Public Health").

Dental School Related Legislation

SB 263 by Nelson/Gallego - Relating to the continuation and functions of the State Board of Dental Examiners. Sunset legislation for the Dental Examiners.

- Sec. 26 adds new Chapter 267 to the Occupations Code to establish licensure criteria for dental school and dental hygiene school faculty that have direct patient contact. Dentists and dental hygienists with Texas licenses are exempt.
- To qualify for the dental faculty or dental hygiene faculty license, the person must: submit an application to the Board of Dental Examiners, have a degree from an accredited dental or dental hygiene school, have a full or part-time paid position at an accredited Texas

dental or dental hygiene school, submit an endorsement of the applicant from the dean, department chair, or program director, pay the application fee, and pass a Board-administered jurisprudence test. The license applicant must apply within 30 days of beginning employment at the school and must pass the test within 6 months of beginning employment. The license must be renewed annually, and expires on the date the person ceases employment. If a person ceases employment and is subsequently rehired at the same or another school, he or she must comply with all of the requirements for obtaining an original license, except for retaking the jurisprudence test.

- The faculty license does not qualify a person to practice dentistry or dental hygiene.
- This section becomes effective March 1, 2004, except that dental and dental hygiene faculty employed before September 1, 2003 are not required to obtain a faculty license before September 1, 2004.

Medical School Related Legislation

HB 1420 by Harcastle/Madla - Relating to the use of a portion of medical school tuition for student loan repayment assistance for physicians. Changes current 2% medical school tuition set-aside requirement for resident students, which set-aside funds loan repayment program for physicians working in rural areas, to a 2 % set-aside of **all** medical student tuition for purpose of funding a loan repayment program for physicians who work in any medically underserved or health professional shortage area. The Comptroller is required to report annually to the Coordinating Board, governor, lieutenant governor, and speaker of the house by January 1 of each year on the number of students registered in a medical branch, the total amount of tuition charged by each institution, the total transferred to the treasury under this section, and the total amount available for the repayment of student loans. Effective starting with 2003-2004 academic year.

HB 1877 by Harcastle/Madla - Relating to creating the rural physician relief program.

- Establishes a rural physician relief program at the Office of Rural and Community Affairs to provide affordable relief services for physicians in rural areas, federally designated health professional shortage or medically underserved areas, or medically underserved communities as designated by the Office. ORCA is required to actively recruit physicians to participate as relief physicians, concentrating on physicians involved in accredited general pediatric, internal medicine, and family practice residency programs, physicians registered on the locum tenens registry, physicians employed at a medical school, and physicians working for private locum tenens groups. Priority for assignment of relief physicians is to be given to solo practitioners, counties with fewer than seven residents per mil, federally designated health professional shortage areas, and counties without hospitals or continuously staffed emergency rooms.
- The ORCA executive committee is required to appoint a rural physician relief advisory committee, consisting of a rural family practitioner, rural internal medicine practitioner, rural pediatrician, a Texas medical school representative, a primary care residency program director, a Higher Education Coordinating Board representative, and a State Board of Medical Directors representative.

- The bill also requires ORCA to collaborate with Area Health Education Center Programs on the existing requirement to establish a community healthcare awareness and mentoring program to encourage and support rural students in becoming health care professionals.
- The bill also expands the existing Rural Physician Recruitment Program to require ORCA to select medical schools to recruit rural students, establish rural medicine curricula, establish mentoring programs for rural students, and establish rural incentive programs. Current law only required ORCA to select one such school.

HB 3122 by Truitt/Lindsay - Relating to the establishment of locally based demonstration projects to provide health care benefits to certain low-income individuals.

- Authorizes the Health and Human Services Commission to establish local health care demonstration projects to provide health coverage to certain adults through Medicaid waivers. Medical schools are considered "local government entities" for purposes of the bill and are therefore eligible to provide funding for the demonstration projects and to provide representatives to the task force established to design the demonstration projects. Other "local government entities" are: hospital districts and authorities, public hospitals, UT teaching hospitals, counties with indigent care programs, governmental entities that fund public hospitals, a health services district, and a statewide rural health care system.
- If established, one demonstration project could provide Medicaid coverage for parents of children on Medicaid, up to 100% of the federal poverty level, using funding from local government entities and federal matching funds. The other could provide employer-based coverage to working parents of children on Medicaid, up to 200% of the federal poverty level, using a combination of local, federal, employer, and employee contributions.
- The Health and Human Service Commission's task force to decide whether to establish the projects and to design them is to consist of: 10 representatives of local government entities, at least 7 from counties of 500,000 or more and at least 1 from a rural area; 2 health care providers, one of which represents private nonprofit health benefit plan; 1 small business owner; 1 physician; and 1 public member. HHSC is required to appoint the task force by January 1, 2004. Effective Sept. 1, 2003.

SB 160 by Nelson/Capelo - Relating to education relating to human organ donation.

Requires the Department of Health to develop a program to educate medical providers and attorneys about organ donation, to encourage attorneys to provide organ donation education to clients making end-of-life decisions, to encourage medical and nursing schools to include mandatory organ donation education in their curricula, and to encourage medical schools to require neurology and neurosurgery residents to complete an advanced course in organ donation education.

TDH is required to implement the program only to the extent that funds are available from optional \$1m drivers license and identification card fees (Secs. 521.421(g) and 521.422 (c)) of the Transportation Code), from gifts and grants, or from specific appropriations (none were made). Effective September 1, 2003.

SB 1128 by Bivins/F. Brown - Relating to the administration of the Joint Admission Medical Program. Requires the Joint Admission Medical Program Council to establish procedures for selecting JAMP program alternates to serve until the beginning of their senior year. Program alternates may participate in mentoring and counseling activities, and are to be ranked to enter the

full program if a JAMP participant terminates participation. The Council is required to adopt these procedures by November 1, 2003. Effective immediately.

SB 1642 by Staples/Merritt - Relating to the establishment of a geriatric education and care research center at The University of Texas Health Science Center at Tyler. Authorizes the University of Texas System to establish the East Texas Center for Rural Geriatric Studies at the UT Health Science Center at Tyler, to research and provide resources in East Texas and other rural areas for training and research for physicians, including psychiatrists, and other health care providers, for caregivers, and for agencies that serve elderly persons. Effective immediately.

Medical and Dental Schools: Anatomical specimens Legislation

SB 1419 by Janek/Eiland - Relating to anatomical specimens and donees of anatomical gifts. Gives the Anatomical Board authority over all bodies and anatomical specimens donated for purposes of education or research, eliminating the current authorization for direct donations to medical, chiropractic, or dental schools, hospitals, physicians, or banks for purposes of research or education. Authorizes the Board to redistribute bodies donated to medical or dental schools or other donors authorized by the Board.

Also authorizes the Board to transport bodies or other anatomical specimens to another state if the board determines that the supply exceeds the need in Texas. Current law authorizes the Board to send bodies to other states if those states need the bodies and agree to ship surplus bodies to Texas when needed. Effective September 1, 2003.

Nursing Related Legislation

HB 3126 by Truitt/Janek - Relating to educating health professionals.

- Requires the Coordinating Board to adopt procedures for assuring the timely distribution of funding appropriated to fund nursing enrollment growth, for forfeiture and reallocation of money if institutions do not produce information in a timely manner, and for annual reports by institutions on all funds received. Coordinating Board administrative costs are capped at 5%.
- It amends the Permanent Fund for Higher Education Nursing, Allied Health, and Other Health-Related Programs by limiting its use to programs that provide initial nurse licensure preparation or programs preparing qualified faculty with master's or doctoral degrees until August 31, 2007. Programs at four-year general academic institutions and health science centers are added to the list of programs specifically authorized to receive these grants. The Coordinating Board may give priority to institutions promoting innovation in education, recruitment, and retention of students and faculty, may award grants on a competitive basis, and may consider the availability of matching funds.
- It also allows the Coordinating Board to award TEXAS and Teach for Texas grants in an amount up to three times the amount of the standard grant who has completed at least half of the degree requirements and is currently enrolled in an educational program preparing the person for licensure in a health care profession determined to have a critical shortage by the Coordinating Board, in consultation with the Statewide Health Coordinating Council and the Texas Workforce Commission. The Coordinating Board may give priority to students in underrepresented groups for that profession and may award different amounts based on the amount of course work completed. Effective immediately.

Other Health Related Legislation

HB 4 by Nixon/Ratliff - Relating to reforms of certain procedures and remedies in civil actions. Omnibus tort reform bill. Art. 10 contains several health care liability reforms, including: noneconomic damage caps, periodic payments, procedural reforms involving expert witness reports and pretrial depositions, establishment of the Texas Medical Disclosure Panel to establish disclosure requirements for medical procedures, liability protection for emergency care and for governmental units, and damage caps for charity care. Effective on September 1, 2003.

HJR 3 by Nixon/Nelson - Proposing a constitutional amendment concerning civil lawsuits against doctors and other healthcare providers, and other actions, authorizing the legislature to determine limitations on non-economic damages. If passed by the voters, establishes legislature's authority to set non-economic damage caps for health care claims starting with the 2003 legislative session, and to set non-economic damage caps for other types of claims by a 3/5 vote of the legislature, starting with the 2005 legislative session.

HB 1614 by Truitt/Madla - Relating to the reporting of medical errors and the establishment of a patient safety program in hospitals, ambulatory surgical centers, and mental hospitals; providing an administrative penalty. Requires the Department of Health to develop a patient safety program for hospitals, ambulatory surgical centers, and mental hospitals, including required annual reports by facilities of the numbers of specified types of events (e.g. medication error, perinatal death not associated with low birth weight or a congenital condition, etc.) during the year. Facilities are required to develop root case analyses and action plans within 45 days of the occurrence of specified events. TDH is authorized to review these documents at times of inspection, but may not require facilities to submit these documents to the department. Facilities are also required to provide at least one report of best practices and safety measures related to a reported event. All information and materials developed and reported by facilities under this law are confidential, except to the extent patient access to records regarding the patient's diagnosis or treatment is authorized by law. TDH is required to provide annual summaries of this information available to the public, using aggregate data only that does not identify any facility, group of facilities, individuals, or specific events. TDH is required to report to the Legislature by December 1, 2006 evaluating the patient safety program and making recommendations.

TDH is required to establish the program by January 1, 2004, and facilities are required to submit the annual reports by July 1, 2004.

HB 2019 by Griggs/Harris - Relating to the creation of a state advisory council with authority to promote research, education, treatment, and support activities related to persons with traumatic brain injury. Establishes an advisory council to the Department of Health to inform state leaders on needs and recommendations for serving people with traumatic brain injuries, recommend to TDH methods of serving people with traumatic brain injury, educating the public, and recommending methods to reduce traumatic brain injury. Members include 1 higher education faculty member with expertise in traumatic brain injury treatment or rehabilitation, plus 5 other specified professional members, 8 specified state agency representatives, and 8 public consumer members. The advisory committee is moved to any other state agency to which pertinent functions of TDH are transferred by the Legislature. Effective September 1, 2003.

HB 2292 by Wohlgemuth/Nelson - Relating to the provision of health and human services in this state, including the powers and duties of the Health and Human Services Commission and other state agencies; providing penalties. Omnibus bill that makes several changes to health and human services, including: reorganization and consolidation of agencies, increases in Health and Human Services Commissioner's authority, Medicaid preferred drug lists and prior authorization requirements, reductions in Medicaid and Children's Health Insurance Program benefit packages, establishment of waiting periods for CHIP and continuation of 6-month eligibility, authorization for local governments to provide medical care to certain undocumented immigrants, authorization for privatization of state mental facilities, and authorization for governor or health commissioner to declare a public health disaster and require certain actions. Most provisions become effective September 1, 2003.

HB 2692 by Guillen/Zaffirini - Relating to a pilot program to promote and facilitate the operation of diabetes groups. Requires the TDH Diabetes Council to develop a pilot program to promote diabetes groups in up to two border counties and to report to the Governor, Lt. Governor, and Speaker on the effectiveness of the pilot by December 1, 2004. Effective September 1, 2003.

HB 3193 by Uresti/Madla - Relating to the delegation of certain acts by dentists. Expands current authorization for Medicaid dentists to delegate dental sealant application to dental hygienists to include any dentists practicing in an underserved area, as determined by the Department of Health. Effective September 1, 2003.

HB 3588 by Krusee/Ogden - Relating to transportation in the state. A trauma funding provisions was added in an amendment by Rep. Delisi. Article 10 establishes surcharges for annual accumulation of specified numbers of points for driving violations, proceeds of which are to be used to fund trauma facilities and emergency medical services, through the newly established trauma facility and emergency medical services account. The Department of Health is required to submit a report on the collected funds and their use, and to make any needed recommendations for change, to the Speaker and Lt. Governor by December 1, 2004. Article 12 imposes additional court costs on certain moving violations and requires 33% of the amount received by the Comptroller to be deposited to the trauma facility and emergency medical services account. Effective September 1, 2003.

SB 104 by Nelson - Relating to the regulation and enforcement of the practice of medicine by the Texas State Board of Medical Examiners; providing a criminal penalty. Increases the Board of Medical Examiners' ability to regulate physicians by: providing more funding through fee increases, requiring aggregate reporting by the Board on complaints and regulatory actions, adding information to the required physician profiles maintained by the Board, requiring the Board to establish an expert physician panel to review complaints, requiring the Board to adopt a schedule of sanctions, increasing the grounds for license revocation to include misdemeanors involving moral turpitude, and providing due process procedures. Effective immediately.

SB 144 by Averitt/Lufkin - Relating to the requirement that certain information be provided to health care practitioners regarding the use and abuse of certain drugs. Requires health

care licensure boards to provide information each biennium to licensees on prescribing pain medications, especially Schedule II and III drugs, on matters pertaining to addiction, and on poison control center services. Effective September 1, 2003, and licensing boards are to adopt material by January 1, 2004.

SB 319 by Armbrister/Allen - Relating to the death of or injury to an unborn child; providing penalties. Defines "individual" to include an unborn child at every state of gestation from fertilization until birth for purposes of civil and criminal penalties for causing death or injury. Exempts conduct committed by the mother, by a physician performing a lawful medical procedure, or caused by the dispensation or administration of a drug in accordance with law. Effective September 1, 2003.

SB 339 by Nelson/ Smithee - Relating to issuance of certain liability insurance by the Medical Liability Insurance Underwriting Association. Allows the Texas Medical Liability Insurance Underwriting Association to issue medical liability insurance policies for terms of less than one year and to offer installment payment plans, in order to allow health care providers to purchase temporary liability insurance. Effective September 1, 2003.

SB 558 by Madla/Hardcastle - Relating to immigration visa waivers for physicians. Allows Texas Department of Health to request a waiver of the foreign country residence requirement for a qualified alien physician who agrees to practice medicine in a medically underserved area or health professional shortage area, and authorizes TDH to charge a fee to administer the visa waiver program.

SB 610 by Nelson/Capelo - Relating to grants for federally qualified health centers. Authorizes the Department of Health to make grants to establish new or expand existing facilities that can become federally qualified health centers. Effective September 1, 2003.

SB 718 by Madla/McReynolds - Relating to the regulation of nursing. Makes changes in the regulation of nursing intended to improve the nursing environment in order to attract and retain more nurses. Requires the Board of Nurse Examiners to establish pilot programs on innovative regulation and reporting mechanisms. Expands continuing education requirements to allow various methods for license holders to demonstrate competence. Specifies criteria regarding identifying a license holder as a nurse, clarifies grounds for reporting nurse misconduct, and requires hospitals to adopt policies and procedures to improve workplace safety. Effective September 1, 2003, and hospitals must adopt policies and procedures by January 1, 2004.

SB 769 by Carona/Capelo - Relating to the licensing and regulation of surgical assistants. Changes the surgical assistance licensure period from one to two years, and authorizes direct billing by surgical assistants. Effective September 1, 2003.

SB 1131 by Harris/Capelo - Relating to funding of certain emergency medical services, trauma facilities, and trauma care systems. Establishes a fund for emergency medical services, trauma facilities, and trauma care systems to be funded from additional costs imposed on intoxication convictions. Effective September 1, 2003.

SB 1136 by Nelson/Capelo - Relating to access to certain private medical information.

Updates state medical privacy laws to reflect federal law, defines "marketing" for purposes of state privacy law prohibitions and consent requirements, requires the Commissioner of Health and Human Services to determine and report if adoption of certain federal privacy regulations is in the state's interest, and requires the state attorney general to determine which state privacy laws are preempted by federal law and report to the Legislature by November 1, 2004. The attorney general is authorized to establish a task force to assist in the analysis. Effective September 1, 2003.

SB 1225 by Nelson/Capelo - Relating to the removal of a body part or tissue from decedent who died under circumstances requiring an inquest. Authorizes a justice of the peace, county judge, or physician designated by the county judge to permit the removal of a body part or tissue from a decedent who died under circumstances requiring an inquest. Current law only authorizes such action by the medical examiner. Effective immediately.

SB 1226 by Nelson/Capelo - Relating to the allocation of kidneys available for transplant in this state.

Establishes a statewide pool of 20% of all kidneys recovered by organ procurement organizations with defined service areas, to be redistributed to patients who have been waiting the longest in the state. Establishes criteria for medical eligibility for receipt of organs from the statewide pool. Effective immediately.

SB 1320 by Nelson/Capelo - Relating to certain advance directives for medical treatment and medical treatment decisions.

Updates state law on advance directives and end-of-life medical treatment decisions. It specifies procedures and transfer mechanisms in cases of disagreement between physicians and patients on end-of-life treatment decisions, and provides for recognition of out-of-hospital do-not-resuscitate orders by nurses and other health care providers in addition to emergency medical services personnel. Effective immediately.

SB 1571 by Carona/Capelo - Relating to the regulation of dental laboratories and dental technicians.

Exempts manufacturers of materials or parts used for dental prosthetics that are not directly fitted to dental models from dental laboratory licensure requirements. Effective September 1, 2003.

AGRICULTURE RELATED

HB 240 by Miller/Fraser - Relating to the punishment for criminal mischief committed by intentionally introducing infectious diseases into livestock. HB 240 makes it a first degree felony to introduce foreign animal disease or other debilitating diseases into livestock.

HB 1858 by Wise/Staples - Relating to the promotion and marketing of Texas products.

HB 1858 expands the marketing program Go Texan administered by the Texas Department of Agriculture beyond agriculture industries. This bill also creates the Texas Oyster and Shrimp Program and the Shrimp Marketing Assistance Program.

HB 2328 by McReynolds/Staples - Relating to the registration of persons engaged in certain fowl operations. HB 2328 allows more regulation by the Texas Animal Health Commission in order to combat the communicable diseases plaguing the poultry industry.

SB 275 Nelson/Solomons - Relating to the abolition of the Department of Economic Development. An amendment to SB 275 creates the biodiesel and fuel ethanol incentive program to be administered by the Governor's office.

SB 1053 by Duncan/Geren - Relating to certain water pollution and conservation programs administered by the Water Development Board. SB 1053 consolidates three existing financial assistance programs related to agricultural water conservation into one program and establishes a linked-deposit program for agricultural and non-point source pollution loans.

SB 1094 Duncan/Puente - Relating to the creation of a task force to evaluate matters regarding water conservation. SB 1094 creates the Water Conservation Implementation Task Force and names the entities and interest groups from which the Texas Water Development Board shall select members. Higher education representation is included in the membership. The duties of the Task Force shall be to assist the regional water planning groups in order to review, evaluate and recommend optimum levels of water use efficiency and conservation for Texas.

SB 1828 by Averitt/Swinford - Relating to the transfer of the State Soil and Water Conservation Board to the Department of Agriculture. SB 1828 amends the statute governing the State Soil and Water Conservation Board by expanding its membership and adding additional reporting requirements to the Legislature and Governor.

TEXAS A&M UNIVERSITY SYSTEM INSTITUTION-SPECIFIC LEGISLATION

The following summary indicates legislation that directly impacts a member institution of the A&M System.

The Texas A&M University System

SB 800 by Madla/Corte - Relating to the financing authority of and to the establishment of certain general academic teaching institutions in The Texas A&M University System.

Subject to certain enrollment requirements SB 800 establishes *Texas A&M University-San Antonio* (TAMU-SA) in Bexar County and *Texas A&M University-Central Texas* (TAMU-CT) in Bell County as general academic teaching institutions. The Texas Higher Education Coordinating Board (THECB) would have to certify that enrollment had reached an equivalent of 2,500 full-time students per semester at Texas A&M University-Kingsville System Center-San Antonio before TAMU-SA could operate as a separate general academic teaching institution, and at Tarleton State University System Center-Central Texas in Killeen before TAMU-CT could operate as a separate general academic teaching institution.

Upon meeting the bill's requirements, both institutions would become components of the Texas A&M University system and would be under the management and control of the Board of Regents. The board could prescribe courses leading to baccalaureate, master's and doctoral degrees in all fields of study, including professional degrees. No department, school, or degree program could be instituted without the prior approval of the THECB.

Establishment of these institutions would not be subject to statutes requiring prior review and approval by THECB. Statutes establishing the Public University of Central Texas as a coeducational upper-level institution in Killeen would be repealed. The A&M Board of Regents would have to consult with general academic teaching institutions, Central Texas community colleges, local government leaders, and community leaders prior to a decision to offer lower-division courses at TAMU-CT.

Legislation also was included that grants the Board of Regents \$15 million in debt issuance authority to acquire, purchase, construct, improve, renovate, enlarge, or equip property, buildings, structures, or other facilities, including roads and related infrastructure, for The Texas A&M University System Health Science Center to develop a *Biosciences Research Center* in the City of Temple. Language was included that stipulates that the Temple Health and Bioscience Economic Development District (created via HB 3629 by Bohac) is responsible (upon creation, pursuant to voter approval) for the payment of debt service on the bonds authorized for any facilities financed by the bonds that are located in the economic development district and used to support the purposes or programs of the district.

SB 1652 by Shaprio/Morrison - Relating to institutions of higher education, including the administration, operation, governance, and financing of those institutions. The omnibus administrative “deregulation” bill for higher education; the bill was amended to include three specific A&M System issues:

- **Venue:** This amendment provides mandatory venue for the A&M System and its institutions. Venue for a suit filed against the System, any component of The Texas A&M University System, or any officer or employee of The Texas A&M University System is in the county in which the primary office of the CEO (university president/agency director) of the component is located. Venue for a suit filed against the Board of Regents, or any member of the board acting in the member’s official capacity, will be in Brazos County. The following would be the county of venue for each component of the A&M System:
 - The Texas A&M University System – Brazos County
 - Texas A&M University – Brazos County
 - All A&M System Service Agencies – Brazos County
 - A&M System Health Science Center – Brazos County
 - Prairie View A&M University – Waller County
 - Tarleton State University – Erath County
 - TAMU-Kingsville – Kleberg County
 - TAMU-Corpus Christi – Nueces County
 - Texas A&M International – Webb County
 - West Texas A&M University – Randall County
 - TAMU-Commerce – Hunt County
 - TAMU-Textarkana –Bowie County
- **Mineral Rights:** This amendment gives The A&M University System greater latitude in putting its mineral assets to work. The bill grants the A&M System the same authority that the UT System currently has and allows the A&M Board to lease its small mineral interests and allows it to maximize its return on those leases.
- **Prairie View intercollegiate athletic fee** – see Prairie View section.

Prairie View A&M University

HB 85 by McClendon/West - Relating to the establishment of an undergraduate medical academy at Prairie View A&M University. HB 85 establishes the Prairie View A&M Undergraduate Medical Academy at Prairie View A&M University under the organization, control and management of The Texas A&M University System. The Academy will provide counseling, mentoring, MCAT preparation, and participation with medical schools, and will consult and develop cooperative programs with Texas medical schools. To be eligible for admission to the academy, a student must be enrolled at Prairie View in a major that provides the appropriate pre-medical foundation, must have completed at least one year of undergraduate study, and meet academic standards approved by the Academy’s admissions committee. A student must repay any scholarship or stipend associated with academy enrollment if the student fails to apply to a Texas medical school or attends an out-of-state medical school after declining an offer from a Texas

medical school. **HB 3425 by Lewis/Armbrister - Relating to an intercollegiate athletic fee for students at Prairie View A&M.** HB 3425 authorizes the Board of Regents of The Texas A&M University System to impose an intercollegiate athletics fee on each student enrolled at Prairie View A&M University in an amount not to exceed \$10 per semester credit hour. This language was amended and passed via SB 1652.

Texas A&M University-Kingsville

HB 2457 by Rangel/Lucio - Relating to an intercollegiate athletics fee at Texas A&M University-Kingsville. HB 2457 authorizes the Board of Regents of The Texas A&M University System to impose an intercollegiate athletics fee on each student enrolled at Prairie View A&M University in an amount not to exceed \$12 per semester credit hour

HB 3552 by Gallego/Lucio - Relating to naming the school of pharmacy at Texas A&M University-Kingsville after The Honorable Irma Rangel. H.B 3552 amends the Education Code to require the Board of Regents of The Texas A&M University System to rename the school of pharmacy at Texas A&M- Kingsville as the *Irma Rangel School of Pharmacy*, and the primary building in which the school is operated to include "Irma Rangel" in its official name.

Texas A&M University-Corpus Christi

HB 1055 by Luna/Hinojosa - Relating to an intercollegiate athletics fee at Texas A&M University-Corpus Christi. HB 1055 authorizes the Board of Regents of The Texas A&M University System to impose an intercollegiate athletics fee on each student enrolled at Texas A&M University-Corpus Christi in an amount not to exceed \$8 per semester credit hour

HB 3042 by Cook/Ellis -Relating to the administration of the Building and Procurement Commission. Section 7.48 of the bill names the natural resources center located at Texas A&M University- Corpus Christi (that was dedicated on August 6, 1996) to be known as the Carlos F. Truan Natural Resources Center.

Texas A&M University-Commerce

HB 2425 by McCall/Duncan - Relating to state and certain local fiscal matters; making an appropriation. HB 658, 77th R.S. authorizes the boards of regents for certain universities and university systems to issue additional bonds to fund infrastructure projects at the specified institutions. HB 2425, 78th R.S. clarifies that TAMU-Commerce may construct a science building with the proceeds of bonds authorized in HB 658, 77th R.S.

Texas A&M University-*Texarkana*

HB 1566 by Telford/Ratliff - Relating to lower-division and upper-division courses at Texas A&M University-*Texarkana*. HB 1566 authorizes TAMU-*Texarkana* to offer lower-division courses, subject to certain requirements. The university would not have to offer these courses in any academic year in which the Legislature did not appropriate funds specifically for that purpose. The bill repeals the authorization for TAMU-*Texarkana* to enter into a partnership agreement with *Texarkana College*.

The university may offer lower-division courses on the campus of *Texarkana College*, with the approval of TC, or in a permanent building located on property acquired by the university for a permanently relocated campus. The university may not offer lower-division courses on the campus of *Texarkana College* without prior approval from *Texarkana College*.

Texas Engineering Experiment Station

HB 1365 by Bonnen/Harris - Relating to the Texas emissions reduction plan. Makes changes to the Texas Emissions Reduction Plan (TERP) to help ensure attainment is reached by 2007. The Energy Systems Laboratory of the Texas Engineering Experiment Station has been assigned numerous responsibilities under the TERP that will now be funded by the new legislation. The bill also expands TEES' responsibilities to include conduction of technical evaluations of certified energy-rating systems that may be requested by municipalities, and assisting in the development of a new energy-efficient building accreditation program, and reporting related emissions reductions.

HB 3235 by T. Smith/Madla - Relating to certification training programs for municipal building inspectors and the implementation of Texas building energy efficiency performance standards by certified municipal building inspectors. Directs the Energy Systems Laboratory at the Texas Engineering Experiment Station to develop and administer statewide a training program for municipal building inspectors seeking to become energy code-certified inspectors.

Texas Engineering Extension Service

HB 2116 by F. Brown/Ogden - Relating to the operation of Texas Task Force 1. HB 2116 provides appropriate worker's compensation coverage for non-state-employed members of Texas Task Force 1 while assigned as a state resource.

Texas Agricultural Experiment Station

HB 1046 by Swinford/Duncan - Relating to an application for registration of a commercial fertilizer and HB 2558 by Swinford/Duncan - Relating to certain reporting requirements and orders relating to commercial fertilizers. The Texas Feed & Fertilizer Control Service (Service) is a regulatory agency within the Texas Agricultural Experiment Station (TAES). One of the various functions of the Service relates to the fees and tonnage reporting required of the commercial manufacture and distribution of fertilizer. HB 1046 and HB 2558 both make minor changes to reporting requirements, payment of fees and registration. These minor changes will benefit both manufacturers and consumers by providing for uniform business practices and higher quality products for end users.

Texas Forest Service

HB 873 by Cook/Armbrister - Relating to the rural volunteer fire department insurance program. The 77th Legislature passed legislation establishing the rural volunteer fire department insurance program and imposed a 2% sales tax on fireworks as the revenue source. The Texas Forest Service (TFS) administers this program in conjunction with an advisory committee. HB 873 adds the National Wildfire Coordinating Group as a certifying entity in the definition of "volunteer fire department" and authorizes reimbursement of expenses for members of the advisory committee for the rural volunteer fire department insurance program.

Texas Veterinary Medical Diagnostic Laboratory

HB 581 by Crownover /Fraser - Relating to the medication or drug testing of racing animals under the Texas Racing Act. Currently, drug testing performed on race animals in Texas is done by a laboratory chosen by the Texas Racing Commission through a competitive bidding process. Every year the Texas Veterinary Medical Diagnostic Laboratory (TVMDL) has been the successful bidder. HB 581 deletes text relating to the competitive bidding process, allowing TVMDL to be the sole agency performing the required drug testing. The importance of this legislation is to ensure that the initial and continued investments made by the State and TVMDL in equipping the laboratory and providing this very specialized testing are not jeopardized by losing the bid to an out-of-state company or agency.

HB 3459 by Pitts/Bivins - Relating to statutory authority to reduce appropriations. Sec. 42 of the bills makes TVMDL subject to the Sunset review process; if not reviewed by September 1, 2007, the agency is abolished. Legislation also states that TVMDL may charge and collect fees for goods and services the laboratory provides to any person, including a governmental entity.

BILLS OF INTEREST THAT PASSED A SELECTIVE LISTING

HB 43 by Chisum/Armbrister. Relating to the funding of and the making of grants by the Texas Council on Environmental Technology.

HB 89 by McClendon - Relating to a leave of absence for certain state employees who are donating an organ, bone marrow, or blood.

HB 174 by Howard - Relating to benefits for members of the state military forces called to active state duty.

HB 178 by Ellis, Dan - Relating to immunity for certain governmental employees for an act or omission committed while supervising an inmate or offender program or activity.

HB 253 by Chisum - Relating to granting, renewing, or amending a license or registration under the Texas Radiation Control Act.

HB 258 by Pickett - Relating to correcting errors in the distribution of benefits by a public retirement system.

HB 411 by Grusendorf - Relating to improvement of science instruction and student performance in public schools.

HB 415 by Flores - Relating to state funding of courses offered for joint high school and junior college credit.

HB 472 by Pickett - Relating to requirements for certain licensing programs administered by the state fire marshal.

HB 627 by Reyna - Relating to an area quarantine in response to a bioterrorist attack.

HB 649 by Keffer, J. - Relating to creating an interagency work group on rural issues

HB 651 by Pitts - Relating to the creation of a savings incentive program for state agencies.

HB 725 by Haggerty - Relating to the participation of community supervision and corrections department employees, retired employees, and dependents of employees and retired employees in the group benefits program for state employees.

HB 736 by Denny - Relating to use of the internal mail system of a governmental agency to deliver political advertising.

HB 804 by Geren - Relating to the minimum wage.

HB 826 by Davis, Yvonne - Relating to the disposition of certain unclaimed wage payments.

HB 833 by Hochberg - Relating to certain pharmaceutical services for an injured employee receiving workers' compensation medical benefits.

HB 845 by Howard - Relating to a purchasing preference for Texas vendors.

HB 867 by Jones, Jesse - Relating to air conditioning systems in certain facilities.

HB 882 by Christian - Relating to student center fees at Stephen F. Austin State University.

HB 898 by Hamilton - Relating to the use of state travel services by public junior colleges and school districts.

HB 944 by King - Relating to the admission to public institutions of higher education of students with nontraditional secondary educations.

HB 1053 by Rodriguez - Relating to the confidentiality of social security numbers in certain circumstances.

VETOED

HB 1075 by McCall - Relating to criminal history record information for state agency information technology personnel.

HB 1171 by Madden - Relating to the notice required to be given to a governmental entity to recover in a suit on a payment bond.

HB 1282 by McCall - Relating to commercial electronic mail.

HB 1363 by Crownover - Relating to funding for the Texas Academy of Mathematics and Science.

HB 1365 by Bonnen - Relating to the Texas emissions reduction plan.

HB 1420 by Hardcastle - Relating to the use of a portion of medical school tuition for student loan repayment assistance for physicians.

HB 1446 by Brown, Betty - Relating to the eligibility of certain children for certain health benefit coverage.

HB 1483 by Allen - Relating to the regulation of the practice of nursing by the Boards of Nurse Examiners and to the abolition of the Board of Vocational Nurse Examiners and the transfer of the functions of that agency to the Board of Nurse Examiners

HB 1537 by Dukes - Relating to a fee for statues of Barbara Jordan and Cesar Chavez and related scholarships at the University of Texas at Austin.

HB 1564 by Truitt - Relating to the use of municipal funds for the acquisition of land or renovation of facilities for an open-enrollment charter school.

HB 1567 by West, Buddy - Relating to the disposal of low-level radioactive waste.

HB 1576 by Gallego - Relating to the telecommunications planning and oversight council.

HB 1606 by Wolens - Relating to the ethics of public servants and the functions and duties of the Ethics Commission.

HB 1621 by Flores - Relating to authorizing a public junior college to waive a portion of the tuition and fees for a student enrolled in a course for joint high school-junior college credit.

HB 1649 by Mercer - Relating to student fees charged at the University of Texas at San Antonio.

HB 1650 by Mercer - Relating to student fees charged at the University of Texas at San Antonio.

HB 1699 by Kuempel - Relating to the liability of highway, road and street contractors.

HB 1817 by Ritter - Relating to certain fees for students attending institutions in the Texas State University System.

HB 1937 by Gallego - Relating to the Texas memorial medical of valor awards for peace officers, firefighters, and emergency medical first responder who are killed or sustain fatal injuries in the line of duty.

HB 1941 by Woolley - Relating to authorizing the issuance of revenue bonds for the University of Texas Health Science Center at Houston for recovery from Tropical Storm Allison.

HB 2001 by Dutton - Relating to notice to an employer of a court order requiring an employee to provide medical support for the employee's child; providing penalties

HB 2004 by Marchant - Relating to allowing a governmental body to deliberate in a closed meeting regarding the business and financial consideration of a proposed contract.

HB 2019 –by Griggs - Relating to the creation of a state advisory council with authority to promote research, education, treatment, and support activities related to persons with traumatic brain injuries.

HB 2032 by Hochberg - Relating to the confidentiality of e-mail addresses under the public information law.

HB 2040 by Marchant - Relating to authorizing certain state agencies to share information for investigative purposes.

HB 2044 by McReynolds - Relating to the powers and duties of the General Land Office and the accounting and disposition of state-owned real property.

HB 2075 by Hilderbran - Relating to regulating health and safety conditions at youth camps.

HB 2081 by McReynolds - Relating to an exemption from the Engineering Practices Act for certain public works.

HB 2095 by Cook, Robby - Relating to provisions of workers' compensation insurance coverage through a certified self-insurance group.

HB 2198 by Solomons - Relating to the certificate of maximum medical improvement and the impairment rating assigned to an employee in a claim for workers' compensation benefits.

HB 2199 by Solomons - Relating to the right of an insurance carrier to contest the compensability of an injury in a workers' compensation case.

HB 2240 by Paxton - Relating to adoption of the Uniform Prudent Investor Act.

HB 2241 by Paxton - Relating to adoption of the Uniform Principal and Income Act.

HB 2251 by Flores - Relating to allowing supplemental pay for members of the Texas National Guard who are called to active duty when active duty service imposes an economic hardship

HB 2350 by Dawson - Relating to the amount charged by the Department of Health for a youth camp license.

HB 2359 by Ritter - Relating to the programs and systems administered by the Employees Retirement System.

HB 2376 by Elkins - Relating to the correction or removal from the statutes of obsolete references regarding the surety bonds of state officers and employees.

HB 2379 by Hill - Relating to the recreational facility fee charged at the University of Texas at Dallas.

HB 2455 by Chisum - Relating to the governmental entities subject to, and the confidentiality of records under, the sunset review process.

HB 2474 by Callegari - Relating to electronic surveillance.

HB 2485 by Hochberg - Relating to internal auditing of state agencies.

HB 2522 by Krusee - Relating to authorizing the issuance of revenue bonds for the Southwest Texas State University Multi-Institution Teaching Center.

HB 2622 by Allen - Relating to access by certain governmental agencies and private entities to criminal history record information.

HB 2650 by Kuempel- Relating to the creation of a council to oversee the implementation of a statewide integrated public safety radio communications system for public safety and homeland security purposes.

HB 2701 by Keffer, Jim - Relating to duties and functions of the state fire marshal.

HB 2898 by Phillips - Relating to the publication of notice in a newspaper by certain governmental entities.

HB 2947 by Casteel - Relating to cost control and accountability in the decentralization of state programs and services.

HB 3011 by Capelo - Relating to medical and health care information.

HB 3024 by Casteel - Relating to increasing governmental efficiency through the reduction of duplicative reporting and auditing requirements.

HB 3028 by Moreno, Joe - Relating to certain purchasing contracts of certain navigation districts and port authorities.

HB 3042 by Cook, Robby - Relating to the administration of the Building and Procurement Commission.

HB 3126 by Truitt - Relating to increasing the number of registered nurses and other health care professionals.

HB 3168 by Giddings - Relating to an alternative medical dispute resolution process for low-cost medical services in the workers' compensation system.

HB 3175 by Pitts - Relating to the authority of the comptroller of public accounts to manage cash flow by transferring available cash between funds in the custody or under the management of the comptroller.

VETOED

HB 3235 by Smith, Todd - Relating to certification training programs for municipal building inspectors and the implementation of Texas building energy performance standards by certified municipal building inspectors.

HB 3242 by Pitts - Relating to the use of the reverse auction process by state agencies.

VETOED

HB 3248 by Callegari - Relating to liability of the state and certain political subdivisions for certain recreational activities.

HB 3257 by Delisi - Relating to the establishment of a defined contribution health care benefits program for active school employees.

HB 3305 by Berman - Relating to statutory authority to reduce appropriations made by the legislature to certain governmental entities.

HB 3306 by Berman - Relating to statutory authority to reduce appropriations made by the legislature to certain individuals and governmental entities.

HB 3308 by Capelo - Relating to the payment of wages through a direct deposit plan.

HB 3318 by Luna - Relating to the creation of funds and accounts in the state treasury.

HB 3325 by Keffer, Jim - Relating to the creation and administration of the community telecommunications alliance program.

HB 3378 by Hope - Relating to statutory authority to reduce appropriations made by the legislature to certain regulatory entities.

HB 3441 by Pickett - Relating to statutory authority to reduce appropriations made by the legislature.

VETOED

HB 3442 by Pickett - Relating to statutory authority to reduce appropriations made by the legislature to certain governmental entities.

HB 3459 by Pitts - Relating to statutory authority to reduce appropriations.

HJR 54 by King - Relating to providing that membership in certain retirement systems is a contractual relationship and that accrued benefits in those systems cannot be reduced or impaired.

SB 235 by Fraser - Relating to the contents of a receipts or other document issued for payment by credit card.

SB 253 by Staples - Relating to applicability of the Youth Camp Safety and Health Act to facilities or programs operated by or on the campus of an institution of higher education.

SB 261 by Shapleigh - Relating to the continuation and functions of the Council on Purchasing from People with Disabilities.

SB 275 by Nelson - Relating to the abolition of the Department of Economic Development.

SB 277 by Ellis, Rodney - Relating to the continuation and functions of the Board of Professional Engineers and to the regulation of the practice of engineering.

SB 280 by Nelson - Relating to the continuation and functions of the Workforce Commission.

SB 282 by Jackson - Relating to the continuation of the State Board of Plumbing Examiners.

SB 283 by Jackson - Relating to the continuation of the Board of Architectural Examiners.

SB 285 by Nelson - Relating to the administration and functions of the Department of Human Services.

SB 287 by Ellis, Rodney - Relating to changing the composition of certain state agency governing bodies.

SB 325 by Armbrister - Relating to the implementation of a change in law imposing or changing the amount of certain costs and fees.

SB 349 by Armbrister - Relating to the intellectual property rights of the Department of Information Resources and certain other state agency intellectual property matters.

SB 394 by Shapleigh - Relating to the Records Management Interagency Coordinating Council.

SB 407 by Deuell - Relating to the liability of a governmental unit in the absence of a contract for fire or emergency services.

SB 416 by Harris, Chris - Relating to the regulation of boilers.

SB 418 by Nelson - Relating to the regulation and prompt payment of health care providers under certain health benefit plans.

SB 473 by Ellis, Rodney - Relating to assisting consumers to prevent and detect identity theft.

SB 486 by Zaffirini - Relating to immunization of children.

SB 513 by Lindsay - Relating to limiting the liability of certain persons giving care, assistance, or advice during a disaster.

SB 541 by Williams - Relating to authorizing insurers and health maintenance organizations to issue plans that do not include state-mandated health benefits or offer of coverage mandates.

SB 566 by West, Royce - Relating to the duties of law enforcement regarding the misuse of a person's identity and to the person's right to expunction of identifying information contained in certain records and files.

SB 578 by Shapiro - Relating to awards granted under the Advanced Placement Incentive Program.

SB 611 by Nelson - Relating to printing a social security number on an identification card or other identification device.

SB 637 by Nelson - Relating to elimination of the state payment for certain national insurance database fees.

SB 641 by West, Royce - Relating to presumption for state land records.

SB 652 by Shapleigh - Relating to economic development, strategic planning, and other issues regarding military facilities, and the merger of certain state agencies with aerospace or military responsibilities.

SB 674 by Estes - Relating to compensatory time off for certain persons who are employed by the state as peace officers.

SB 732 by Brimer - Relating to discounts or other forms of pricing flexibility for telecommunications services.

SB 735 by Lindsay - Relating to local government officials serving on state boards.

SB 775 by Averitt - Relating to the use of TexasOnline by state agencies.

SB 871 by Shapiro - Relating to the sex offender registration program and the civil commitment of sexually violent predators..

SB 912 by Ratliff - Relating to surplus and salvage computer equipment.

SB 919 by Whitmire - Relating to the kinds of mail service that may be used under the public information law to send a notice or any other document to a person.

SB 966 by Averitt - Relating to the comptroller entering into an agreement with a credit or debit card issuer for the benefit of public schools.

SB 968 by Shapleigh - Relating to a program to promote participation by public junior college students in individual development account programs.

SB 976 by Shapiro - Relating to high school completion and the creation of certain college education pilot programs.

SB 984 by Wentworth - Relating to excepting a benefits appeals committee for a public self-funded health plan for deliberating the medical or psychiatric records of an individual applicant for a benefit.

SB 996 by Williams - Relating to collateral eligible to be pledged with the comptroller to secure state deposits.

SB 1000 by West, Royce - Relating to a statistical or demographic analysis conducted by the Legislative Council for a state agency and to information collected by the council in the course of performing the analysis.

SB 1007 by West, Royce - Relating to student eligibility for a TEXAS grant based on preliminary high school transcripts.

SB 1013 by Staples - Relating to the regulation of the practice of appraising real property.

SB 1090 by Carona - Relating to inspection of elevators.

SB 1127 by Van de Putte - Relating to the creation of a coaching education program by the San Antonio Life Sciences Institute.

SB 1128 by Bivins - Relating to the administration of the Joint Admission Medical Program.

SB 1136 by Nelson - Relating to access to certain private medical information.

SB 1151 by Shapleigh - Relating to the publication of state agency Internet addresses in telephone directories.

SB 1152 by Shapleigh - Relating to the use of TexasOnline.

SB 1154 by Shapleigh - Relating to state publications maintained by the State Library and Archives Commission.

SB 1155 by Shapleigh - Relating to the purchase of certain wireless communications devices by state agencies.

SB 1173 by Janek - Relating to prescription drug benefits under the group health benefit programs for certain governmental employees and retired employees.

SB 1230 by Wentworth - Relating to authorizing an environmental service fee at Southwest Texas State University.

SB 1282 by Fraser - Relating to notice provided to certain self-insured entities for workers' compensation purposes.

SB 1297 by Ogden - Relating to financing a multi-institutional education center in Williamson County for Southwest Texas state University.

SB 1318 by Van de Putte - Relating to the authorization of securities lending for governmental entities.

SB 1343 by Jackson - Relating to the regulation and operation of certain proprietary schools.

SB 1366 by Bivins - Relating to eligibility under the Early High School Graduation Scholarship program.

SB 1367 by Duncan - Relating to student union fees at component institutions of the Texas Tech University System.

SB 1369 by Duncan - Relating to certain benefit plans provided to certain school employees and retirees and their dependents.

SB 1388 by Armbrister - Relating to disclosure under the public information law of certain documents filed with a county clerk.

SB 1521 by Zaffirini - Relating to tuition charged by an institution of public higher education for certain graduate programs.

SB 1546 by Janek - Relating to the limitation on a laboratory charge that may be set by a public junior college.

SB 1572 by Carona - Relating to the provision of treatment guidelines in the workers' compensation system.

SB 1574 by Carona - Relating to authorizing the Texas Workers' Compensation Commission and the Texas State Board of Medical Examiners to share information for investigative purposes.

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SB 1581 by Wentworth - Relating to providing that an audit working paper of a county auditor is excepted from required public disclosure under the public information law.

SB 1588 by Whitmire - Relating to exempting college savings plan accounts from attachment, execution, and seizure for the satisfaction of debts.

SB 1642 by Staples - Relating to the establishment of a geriatric education and care research center at The University of Texas Health Science Center at Tyler.

SB 1694 by Shapiro - Relating to state agency internal auditing.

SB 1701 by Wentworth - Relating to the Department of Information Resources' management of certain electronic and telecommunications projects.

SB 1708 by Wentworth - Relating to the repurchase of real property acquired by a governmental entity through eminent domain.

SB 1771 by Brimer - Relating to creation of the Texas Enterprise Fund.

SB 1800 by Van de Putte - Relating to state employee military leave.

SB 1804 by Harris, Chris - Relating to the resolution of certain medical disputes in connection with workers' compensation benefits.

SB 1942 by Wentworth - Relating to the name of Southwest Texas State University.

BILLS OF INTEREST NOT PASSING

The following is a list of bills of interest to The Texas A&M University System that did not pass; these bills were monitored due to the possible impact that would have occurred upon their passage.

The following information provides the bill number and author, caption of the bill, and the last action taken on the bill.

HB 2 by Swinford - Relating to the reorganization of, efficiency in, and other reform measures applying to state government.

Last Action: 05-15-03 H Set on the House Calendar

HB 10 by Heflin - Relating to the use of dedicated revenue during a state budget crisis.

Last Action: 04-30-03 H Committee action pending House Appropriations

HB 37 by Luna - Relating to speed limits near a facility where a school-related activity is held.

Last Action: 05-15-03 H Set on the House Calendar

HB 46 by Turner - Relating to the continuance of the Telecommunications Infrastructure Fund Board and the limitation on deposits to the telecommunications infrastructure fund.

Last Action: 01-30-03 H Introduced and referred to committee on House Regulated Industries

HB 47 by Turner - Relating to the office of advocate for children in the custody of a governmental entity.

Last Action: 04-10-03 H Not heard in committee House Juvenile Justice and Family Issues

HB 55 by Wise - Relating to sex offender registration requirements imposed on certain workers or students at institutions of higher education.

Last Action: 03-17-03 H Committee action pending House Higher Education

HB 58 by Wise - Relating to reimbursing veterans for the cost of required textbooks and similar required course materials.

Last Action: 02-03-03 H Introduced and referred to committee on House Higher Education

HB 91 by McClendon - Relating to the automatic admission of certain undergraduate transfer students.

Last Action: 03-10-03 H Committee action pending House Higher Education

HB 133 by Isett - Relating to the constitutional limitations on the rate of growth of appropriations.

Last Action: 04-23-03 H Reported from committee as substituted House State Affairs

HB 134 by Brown, Fred - Relating to the pilot program for reduced undergraduate tuition during summer term or session at certain institutions of higher education.

Last Action: 02-03-03 H Introduced and referred to committee on House Higher Education

HB 243 by Allen - Relating to the possession or carrying of weapons on certain premises associated with a school or educational institution.

Last Action: 02-25-03 H Committee action pending House Criminal Jurisprudence

HB 273 by Naishtat - Relating to forensic evidence training for students in certain medical or nursing degree programs.

Last Action: 02-06-03 H Introduced and referred to committee on House Higher Education

HB 286 by Ellis, Dan - Relating to exempting textbooks for university and college courses from the sale tax.

Last Action: 02-06-03 H Introduced and referred to committee on House Ways and Means

HB 318 by Grusendorf - Relating to certification to teach school of individuals who hold bachelors degree.

Last Action: 05-29-03 S Failed to suspend rules to consider

HB 365 by Dutton - Relating to an exemption from or refund of tuition and fees for certain lower-division students enrolled at Texas Southern University and Prairie View A&M University.

Last Action: 02-10-03 H Introduced and referred to committee on House Higher Education

HB 391 by Pitts - Relating to the participation of institutions of higher education in electronic government.
Last Action: 05-05-03 H Hearing set for 2:30 P.M. or Adj., E2.036 House Higher Education

HB 405 by Miller - Relating to resident tuition for military personnel and their dependents.
Last Action: 05-07-03 S Committee action pending Senate Veteran Affairs/Military Installations

HB 459 by Gallego - Relating to annual vacation leave accrual for state employees.
Last Action: 02-10-03 H Introduced and referred to committee on House Appropriations

HB 484 by Wilson - Relating to automatic admission to graduate or professional degree programs at institutions of higher education.
Last Action: 02-24-03 H Committee action pending House Higher Education

HB 506 by Deshotel - Relating to the tuition charged by institutions of higher education for high school students enrolled in college-level courses.
Last Action: 03-10-03 H Committee action pending House Higher Education

HB 531 by Giddings - Relating to tuition rebate incentives for persons who complete certain degree and certificate programs without excessive credit hours.
Last Action: 04-23-03 H Committee action pending House Higher Education

HB 541 by Chisum - Relating to contingent payment clauses in certain construction contracts.
Last Action: 05-15-03 H Set on the House Calendar

HB 542 by Delisi - Relating to the issuance of Master Gardener license plates.
Last Action: 05-13-03 S Received in the Senate - Referred to Senate Infrastructure Development & Security

HB 593 by Dukes - Relating to the eligibility of certain persons to contract with a state agency.
Last Action: 04-28-03 S Received in the Senate - Referred to Senate Business and Commerce

HB 613 by Castro - Relating to requiring institutions of higher education to use uniform grading methods for each class or section of the same course.
Last Action: 04-23-03 H Committee action pending House Higher Education

HB 626 by Reyna - Relating to exempting textbooks for university and college courses from the sales tax.
Last Action: 02-12-03 H Introduced and referred to committee on House Ways and Means

HB 629 by Pitts - Relating to state agency auditing of software licenses for software installed at the agency.
Last Action: 04-03-03 S Referred to Senate Committee on Senate Government Organization

HB 652 by Rangel - Relating to requiring the Higher Education Coordinating Board to publish certain performance data provided to the board by general academic teaching institutions.
Last Action: 02-12-03 H Introduced and referred to committee on House Higher Education

HB 682 by Delisi - Relating to permitting certain military dependents to qualify for automatic admission to general academic teaching institutions.
Last Action: 03-27-03 H Committee action pending Defense Affairs and State-Federal Relations

HB 684 by Grusendorf - Relating to continuation and functions of the State Board for Educators Certification.
Last Action: 03-04-03 H Committee action pending House Public Education

HB 707 by Rangel - Relating to a uniform strategy to ensure that public institutions of higher education employ faculty and staff who reflect the population of Texas.
Last Action: 02-17-03 H Introduced and referred to committee on House Higher Education

HB 719 by Naishtat - Relating to a voting student member on the board of regents of The University of Texas System.
Last Action: 02-17-03 H Introduced and referred to committee on House Higher Education

HB 760 by Wilson - Relating to requiring uniform admissions standards for undergraduate student admissions to an institution of higher education.
Last Action: 02-17-03 H Introduced and referred to committee on House Higher Education

HB 783 by Coleman - Relating to public participation in certain condemnation proceedings.
Last Action: 03-03-03 H Reported favorably from committee on House Land and Resource Management

HB 796 by Delisi - Relating to abolishing the Texas Academic Skills Program.
Last Action: 05-28-03 S Placed on the Senate Intent Calendar for

HB 810 by Rodriguez - Relating to the prohibition of employment discrimination by state agencies on the basis of sexual orientation or gender identity.

Last Action: 02-18-03 H Introduced and referred to committee on House State Affairs

HB 838 by Smith, Todd - Relating to student preparedness for higher education.

Last Action: 05-05-03 H Committee action pending House Higher Education

HB 851 by Brown, Fred - Relating to certain requirements for construction contracts with governmental entities.

Last Action: 04-01-03 H Committee action pending House Business and Industry

HB 908 by Gallego - Relating to prohibiting certain foreign corporations from participating in state contracts.

Last Action: 03-10-03 H Committee action pending House State Affairs

HB 909 by Gallego - Relating to continuation and functions of the Board of Educator Certification.

Last Action: 02-19-03 H Introduced and referred to committee on House Public Education

HB 933 by Dutton - Relating to the granting of a charter for an open-enrollment charter school by a college or university.

Last Action: 03-26-03 H Committee action pending House Public Education

HB 950 by Isett - Relating to an optional defined contribution retirement plan for persons eligible to participate in then Teacher Retirement System.

Last Action: 03-24-03 H Committee action pending House Pensions and Investments

HB 990 by Puente - Relating to an exemption from the sales and use tax for certain books sold at a school book sale.

Last Action: 02-19-03 H Introduced and referred to committee on House Ways and Means

HB 1026 by Hupp - Relating to regulating the use of social security numbers by institutions of higher education.

Last Action: 05-13-03 S Received in the Senate - Referred to Senate Education

HB 1057 by Alonzo - Relating to providing for a student who qualifies for automatic admission to an institution of higher education to maintain that status for transferring between institutions in certain circumstances.

Last Action: 04-14-03 H Committee hearing cancelled House Higher Education

HB 1191 by Allen - Relating to the confidentiality of, and the application of the public information law to, certain sensitive information.

Last Action: 05-08-03 S Committee action pending Senate Infrastructure Development & Security

HB 1211 by Wilson - Relating to financial assistance for certain intercollegiate athletes.

Last Action: 02-27-03 H Introduced and referred to committee on House Higher Education

HB 1212 by Wilson - Relating to limitations on the number of foreign students who may be enrolled in a graduate or professional degree program at a public institution of higher education.

Last Action: 02-27-03 H Introduced and referred to committee on House Higher Education

HB 1233 by Solomons - Relating to the abolition of the Department of Economic Development.

Last Action: 05-05-03 H Reported from committee as substituted House Economic Development

HB 1308 by Pitts - Relating to a return on investment program for certain major state information technology projects.

Last Action: 03-03-03 H Introduced and referred to committee on House Government Reform

HB 1318 by Swinford - Relating to workforce planning requirements for state agencies and the compensation, accountability, and employment of certain state employees.

Last Action: 05-21-03 S Not heard in committee Senate Government Organization

HB 1376 by Farabee - Relating to the optional retirement program for certain employees of public institutions of higher education.

Last Action: 03-24-03 H Committee action pending House Pensions and Investments

HB 1544 by Bonnen - Relating to a pilot project to allow select public junior colleges to offer certain baccalaureate degrees.

Last Action: 05-19-03 S Committee action pending Senate Education

HB 1591 by Nixon - Relating to the resolution of certain contract claims against the state.

Last Action: 04-22-03 H Committee action pending House State Affairs

HB 1627 by Keffer, Jim - Relating to the use of TexasOnline by state agencies.

Last Action: 05-02-03 H Laid on the table - subject to call - see SB 775

HB 1635 by King - Relating to the uses of the telecommunications infrastructure fund.

Last Action: 04-08-03 H Committee action pending House Regulated Industries

HB 1720 by Baxter - Relating to the use of TexasOnline by state agencies.
Last Action: 03-10-03 H Introduced and referred to committee on House Government Reform

HB 1737 by Turner - Relating to prohibiting credit card solicitations on certain school campuses.
Last Action: 05-05-03 H Committee action pending House Financial Institutions

HB 1742 by Swinford - Relating to issues involving the operations or financial accountability of state agencies.
Last Action: 03-10-03 H Introduced and referred to committee on House Government Reform

HB 1744 by Delisi - Relating to prescription drug benefits under the group health benefit programs for certain governmental employees and retired employees.
Last Action: 05-06-03 S Received in the Senate - Referred to Senate State Affairs

HB 1746 by Hunter - Relating to an exemption from tuition and fees at public institutions of higher education for certain adopted students.
Last Action: 05-02-03 H Recommended for Local and Consent Calendar

HB 1753 by Rangel - Relating to academic skills assessment of and development education for undergraduate students entering public institutions of higher education.
Last Action: 03-10-03 H Introduced and referred to committee on House Higher Education

HB 1761 by Wise - Relating to administration of and eligibility for TEXAS grants and TEXAS grants II.
Last Action: 04-28-03 H Committee action pending House Higher Education

HB 1780 by Davis, Yvonne - Relating to payment to a subcontractor under a public work contract.
Last Action: 04-01-03 H Committee action pending House State Affairs

HB 1783 by McReynolds - Relating to faculty compensation policies at institutions of higher education.
Last Action: 03-11-03 H Introduced and referred to committee on House Higher Education

HB 1824 by Hamric - Relating to adjusting formula for institutions of higher education to account for differences between estimated and actual receipts of educational and general funds.
Last Action: 05-07-03 S Received in the Senate - Referred to Senate Education

HB 1888 by Morrison - Relating to a pilot project to allow select public junior colleges to offer baccalaureate degrees in applied science.
Last Action: 03-11-03 H Introduced and referred to committee on House Higher Education

HB 1889 by Morrison - Relating to the creation of TexasNextStep grant program to pay tuition and required fees and textbook costs of certain students enrolled in two-year public institutions of higher education in this state.
Last Action: 04-07-03 H Committee action pending House Higher Education

HB 1955 by Deshotel - Relating to prescription drug benefits under certain benefit plans.
Last Action: 04-07-03 H Committee action pending House Insurance

HB 2015 by Menendez - Relating to prescription drug benefits under the group health benefit programs for certain governmental employees and retired employees.
Last Action: 04-01-03 H Hearing set for 4:00 P.M., E1.010 House State Health Care Expenditures

HB 2028 by Pena - Relating to protecting public employees who refuse to perform an illegal act.
Last Action: 04-28-03 H Committee action pending House State Affairs

HB 2067 by Pitts - Relating to the Department of Information Resources' management of certain electronic and telecommunications project.
Last Action: 04-09-03 H Committee action pending House Government Reform

HB 2110 by Rangel - Relating to abolishing the State Board of Educator Certification and to transferring its powers and duties to the commissioner of education and the Education Agency.
Last Action: 04-07-03 H Committee action pending House Government Reform

HB 2117 by Brown, Fred - Relating to the protection of students and employees from acts of violence on campus by another student or employees at a state-supported institution of higher education.
Last Action: 05-28-03 S Placed on the Senate Intent Calendar for

HB 2123 by Wilson - Relating to the membership of the board of regents of the University of Texas System and the board of regents of the Texas A&M University System.
Last Action: 03-17-03 H Introduced and referred to committee on House Higher Education

HB 2125 by Hupp - Relating to the creation of a Texas Privacy and Security Act.
Last Action: 04-16-03 H Not heard in committee House State Affairs

HB 2143 by Naishtat - Relating to surplus and salvage computer equipment.

Last Action: 04-08-03 H Committee action pending House State Affairs

HB 2210 by Ritter - Relating to the indirect cost recovery program.

Last Action: 04-07-03 H Committee action pending House Pensions and Investments

HB 2244 by Pena - Relating to a civil action for deprivation of rights.

Last Action: 05-07-03 H Hearing set for 2:00 P.M., E2.026 House Civil Practices

HB 2267 by Raymond - Relating to civil actions against persons who file complaints with governmental agencies.

Last Action: 05-05-03 H Voted favorably from committee on House Civil Practices

HB 2370 by Bailey - Relating to collective bargaining by officials of the state or of a political subdivision.

Last Action: 03-18-03 H Introduced and referred to committee on House State Affairs

HB 2393 by Goodman - Relating to the governance and operation of the University of Texas at Arlington.

Last Action: 04-09-03 H Committee action pending House Higher Education

HB 2411 by Solomons - Relating to the publication of state agency Internet addresses in telephone directories.

Last Action: 05-10-03 H Laid on the table - subject to call - see SB 1151

HB 2412 by Solomons - Relating to the use of TexasOnline.

Last Action: 03-18-03 H Introduced and referred to committee on House Government Reform

HB 2419 by Gallego - Relating to the continuation of the Higher Education Coordinating Board.

Last Action: 04-07-03 H Committee action pending House Higher Education

HB 2427 by Brown, Fred - Relating to workers' compensation self-insurance for certain institutions of higher education.

Last Action: 03-18-03 H Introduced and referred to committee on House Higher Education

HB 2447 by Chavez - Relating to the regulation of time, place, and manner of speech in a state institution of higher education.

Last Action: 05-15-03 H Set on the House Calendar

HB 2454 by Chisum - Relating to home and building construction energy conservation standards and programs.

Last Action: 04-22-03 H Committee action pending House Environmental Regulation

HB 2464 by Swinford - Relating to the provision of facilities management services by the Building and Procurement Commission for certain state agencies.

Last Action: 04-02-03 H Committee action pending House Government Reform

HB 2505 by Swinford - Relating to the review of the administration of university systems and identification of potential administrative and organizational reforms.

Last Action: 04-08-03 H Committee action pending House Government Reform

HB 2507 by Morrison - Relating to the eligibility of a high school graduate for automatic admission to an institution of higher education.

Last Action: 03-24-03 H Introduced and referred to committee on House Higher Education

HB 2555 by Chavez - Relating to requiring a course in multicultural or gender studies in baccalaureate degree programs at public institutions of higher education.

Last Action: 04-09-03 H Committee action pending House Higher Education

HB 2573 by Moreno, Paul - Relating to preventing unnecessary waste in state agency reports distributed to legislators and other interested persons.

Last Action: 03-24-03 H Introduced and referred to committee on House Government Reform

HB 2590 by Hilderbran - Relating to the decentralization of certain state agencies and to the location of the headquarters of certain state agencies.

Last Action: 04-08-03 H Committee action pending House Government Reform

HB 2633 by Quintanilla - Relating to eligibility to receive a TEXAS grant.

Last Action: 04-23-03 H Committee action pending House Higher Education

HB 2641 by Bailey - Relating to minimum personal leave for faculty members at public institutions of higher education.

Last Action: 03-24-03 H Introduced and referred to committee on House Higher Education

HB 2645 by Bailey - Relating to the compensation of administrators in public institutions of higher education and university systems.

Last Action: 03-24-03 H Introduced and referred to committee on House Higher Education

HB 2667 by Hochberg - Relating to the use and management of certain state-owned real property.
Last Action: 03-31-03 H Committee action pending House Government Reform

HB 2694 by Guillen - Relating to fraud awareness training for employees of state agencies.
Last Action: 03-24-03 H Introduced and referred to committee on House Government Reform

HB 2706 by Coleman - Relating to grievance and complaint resolution procedures for certain state employees.
Last Action: 03-25-03 H Introduced and referred to committee on House State Affairs

HB 2723 by Gutierrez - Relating to certification to teach school of individuals who hold master's degrees.
Last Action: 04-28-03 S Received in the Senate - Referred to Senate Education

HB 2740 by Deshotel - Relating to the collection of ethnicity information from Asian applicants for admission to a public institutions of higher education.
Last Action: 03-25-03 H Introduced and referred to committee on House Higher Education

HB 2754 by Madden - Relating to legislative review and gubernatorial suspension of certain rules of state agencies.
Last Action: 03-25-03 H Introduced and referred to committee on House Government Reform

HB 2758 by Swinford - Relating to the use of fuel-savings technologies by certain state agency vehicles.
Last Action: 04-09-03 H Committee action pending House Government Reform

HB 2759 by Wong - Relating to authorizing the issuance of revenue bonds for the University of Texas M.D. Anderson Cancer Center.
Last Action: 05-08-03 S Received in the Senate - Referred to Senate Finance

HB 2763 by Garza - Relating to the public library endowment fund and funding for the TexShare library consortium program.
Last Action: 03-25-03 H Introduced and referred to committee on House State Cultural & Recreational Resources

HB 2769 by Chisum - Relating to changing the composition of certain agency governing bodies.
Last Action: 05-07-03 H Laid on the table - subject to call - see SB 287

HB 2770 by Isett - Relating to unexpected cash balances of the general revenue account.
Last Action: 04-23-03 H Committee action pending House Ways and Means

HB 2791 by Solis - Relating to the administration of the Texas Tech-Prep Program.
Last Action: 03-25-03 H Introduced and referred to committee on House Higher Education

HB 2797 by Keel - Relating to tuition charged by an institution of public higher education for certain graduate programs.
Last Action: 03-25-03 H Introduced and referred to committee on House Higher Education

HB 2815 by Rodriguez - Relating to the consideration of race, ethnicity, or national origin in certain actions and decisions of public institutions of higher education.
Last Action: 03-26-03 H Introduced and referred to committee on House Higher Education

HB 2845 by Menendez - Relating to the ability of state agencies to use the Internet and other resources to obtain more cost-effective travel reservations and tickets for state employees.
Last Action: 03-26-03 H Introduced and referred to committee on House State Affairs

HB 2860 by Morrison - Relating to higher education assistance for the spouses and dependents of certain persons killed during the campaign against terrorism.
Last Action: 05-08-03 H Recommended for Local and Consent Calendar

HB 2861 by Morrison - Relating to the accountability of, and reporting by, public institutions of higher education
Last Action: 03-26-03 H Introduced and referred to committee on House Higher Education

HB 2862 by Morrison - Relating to institutions of higher education, including the administration, operation, governance, and financing of those institutions.
Last Action: 04-23-03 H Committee action pending House Higher Education

HB 2885 by Van Arsdale - Relating to tuition rates for certain undergraduate students at general academic teaching institutions.
Last Action: 03-26-03 H Introduced and referred to committee on House Higher Education

HB 2897 by Swinford - Relating to state agency utility savings and capital expenditure reductions.
Last Action: 04-02-03 H Committee action pending House Government Reform

HB 2909 by Swinford - Relating to the administration of state-federal relations and federal formula grant programs.
Last Action: 03-27-03 H Introduced and referred to committee on House Government Reform

HB 2921 by Christian - Relating to restricting the state from competing with private enterprise.
Last Action: 03-27-03 H Introduced and referred to committee on House Business and Industry

HB 2965 by Casteel - Relating to the use of state land for public hunting.
Last Action: 04-02-03 H Committee action pending House Government Reform

HB 2969 by Naishtat - Relating to exempting certain persons in transitional living programs from the payment of tuition and fees at public institutions of higher education.
Last Action: 03-27-03 H Introduced and referred to committee on House Higher Education

HB 2977 by Chavez - Relating to a program to provide incentives for certain persons earn doctorate degree and enter the faculty and administration of institutions of higher education.
Last Action: 05-10-03 H Reported from committee as substituted House Higher Education

HB 2986 by Capelo - Relating to increasing the number of registered nurses and other health care professionals.
Last Action: 03-27-03 H Introduced and referred to committee on House Public Health

HB 3001 by Swinford - Relating to the reorganization and consolidation of state governmental functions and entities.
Last Action: 04-07-03 H Committee action pending House Government Reform

HB 3002 by Swinford - Relating to the fees of, and other financial matters applying to, state governmental entities.
Last Action: 04-10-03 H Committee action pending House Government Reform

HB 3003 by Swinford - Relating to the management, use, and information about state facilities, real property and other property.
Last Action: 03-31-03 H Committee action pending House Government Reform

HB 3004 by Swinford - Relating to state management and use of information and information technology.
Last Action: 03-27-03 H Introduced and referred to committee on House Government Reform

HB 3005 by Swinford - Relating to state contracts and procurement.
Last Action: 04-09-03 H Committee action pending House Government Reform

HB 3007 by Swinford - Relating to state personnel and other state human resources matters.
Last Action: 04-10-03 H Committee action pending House Government Reform

HB 3032 by Laney - Relating to purchasing preferences to Texas and US products under certain state and local purchasing procedures.
Last Action: 04-22-03 H Committee action pending House State Affairs

HB 3039 by Cook, Robby - Relating to the lease of space for state agencies by the Building and Procurement Commission.
Last Action: 05-07-03 S Received in the Senate - Referred to Senate Government Organization

HB 3040 by Cook, Robby - Relating to vehicle fleet management services provided by the Building and Procurement Commission.
Last Action: 03-31-03 H Committee action pending House Government Reform

HB 3043 by Cook, Robby - Relating to abolishing the requirement that certain state agencies participate in travel services contracts.
Last Action: 05-07-03 S Received in the Senate - Referred to Senate Government Organization

HB 3045 by Cook, Robby - Relating to the limitation on the allocation of office space to state agencies.
Last Action: 05-28-03 S Placed on the Senate Intent Calendar for

HB 3046 by Cook, Robby - Relating to the state purchasing powers and duties of the Building and Procurement Commission.
Last Action: 04-01-03 H Committee action pending House Government Reform

HB 3047 by Cook, Robby - Relating to the disposition of certain surplus and salvage property.
Last Action: 04-01-03 H Committee action pending House Government Reform

HB 3048 by Cook, Robby - Relating to state construction projects.
Last Action: 04-01-03 H Committee action pending House Government Reform

HB 3049 by Cook, Robby - Relating to the consolidation of certain state agencies having general governmental functions.
Last Action: 03-31-03 H Hearing set for 8:00 A.M., E1.026 House Government Reform

HB 3058 by Allen - Relating to requiring state agencies to lease excess land for hunting, fishing, or agriculture purposes.
Last Action: 04-02-03 H Hearing set for 8:00 A.M., E1.026 House Government Reform

HB 3063 by Brown, Betty - Relating to the evaluation by the Higher Education Coordination Board of request by institutions of higher education for special item appropriations.
Last Action: 03-28-03 H Introduced and referred to committee on House Higher Education

HB 3064 by Brown, Fred - Relating to tuition and other revenue charged or received by public institutions of higher education.
Last Action: 03-28-03 H Introduced and referred to committee on House Higher Education

HB 3076 by West, Buddy - Relating to indemnification in certain construction contracts.
Last Action: 03-28-03 H Introduced and referred to committee on House Civil Practices

HB 3078 by West, Buddy - Relating to state agency action to identify and address disproportionately high and adverse human health.
Last Action: 04-30-03 H Not heard in committee House Natural Resources

HB 3084 by Puente - Relating to increasing the sustainability of the State's building infrastructure.
Last Action: 03-28-03 H Introduced and referred to committee on House Environmental Regulation

HB 3106 by Garza - Relating to the issuance of specially designed license plates by the Department of Transportation.
Last Action: 04-29-03 H Reported from committee as substituted House Transportation

HB 3181 by Delisi - Relating to the creation of the Commission for State Health Care Expenditures.
Last Action: 05-06-03 H Reported from committee as substituted House State Health Care Expenditures

HB 3209 by Heflin - Relating to the amount of financial assistance a student may receive under the TEXAS grant and tuition equalization grant programs.
Last Action: 05-29-03 S Passed (Vote: Y: 30/N: 1)

HB 3215 by Dukes - Relating to historically underutilized businesses.
Last Action: 03-31-03 H Introduced and referred to committee on House State Affairs

HB 3216 by Dukes - Relating to requiring state institutions of higher education to develop plans for increasing the use of historically underutilized businesses in purchasing and contracting.
Last Action: 03-31-03 H Introduced and referred to committee on House State Affairs

HB 3239 by Smith, Todd - Relating to a study by the Higher Education Coordinating Board.
Last Action: 03-31-03 H Introduced and referred to committee on House Higher Education

HB 3244 by Pitts - Relating to the periodic review and continuation of the Veterinary Medical Diagnostic Laboratory and to authorizing the laboratory to charge fees.
Last Action: 03-31-03 H Introduced and referred to committee on House Higher Education

HB 3262 by Ritter - Relating to the establishment of a Center for Excellence at Lamar University at Beaumont.
Last Action: 04-23-03 H Committee action pending House Higher Education

HB 3275 by Gallego - Relating to reporting a state agency that is not complying with the requirement to make a good faith effort to increase the agency's use of historically underutilized business in purchasing.
Last Action: 03-31-03 H Introduced and referred to committee on House State Affairs

HB 3287 by Delisi - Relating to the establishment of a defined contribution health care benefits program for state employees and retired state employees.
Last Action: 04-29-03 H Hearing set for 4:00 P.M. or Adj., E1.010 House State Health Care Expenditures

HB 3321 by Eiland - Relating to the authorizing the issuance of revenue bonds for the University of Texas Medical Branch at Galveston.
Last Action: 05-15-03 H Set on the House Calendar

HB 3331 by Crownover - Relating to the authority of a higher education authority.
Last Action: 05-09-03 H Reported from committee as substituted House Higher Education

HB 3332 by Delisi - Relating to certain group benefit plans.
Last Action: 04-01-03 H Introduced and referred to committee on House State Health Care Expenditures

HB 3350 by Davis, John - Relating to authorizing the issuance of revenue bonds for the University of Houston System.
Last Action: 05-08-03 S Received in the Senate - Referred to Senate Finance

HB 3351 by Davis, John - Relating to authorizing the issuance of revenue bonds for The University of Texas Health Science Center at Houston for the replacement of research and academic facilities lost in Tropical Storm Allison.
Last Action: 05-13-03 S Received in the Senate - Referred to Senate Finance

HB 3359 by Delisi - Relating to the establishment of a defined contribution health care benefits program for state employees, retired state employees, active school employees, and retired school employees.
Last Action: 04-01-03 H Introduced and referred to committee on House State Health Care Expenditures

HB 3360 by Delisi - Relating to the establishment of a defined contribution health care benefits program for state employees, retired state employees, active school employees, and retired school employees.
Last Action: 05-01-03 H Committee action pending House State Health Care Expenditures

HB 3363 by Isett - Relating to requiring state agencies to report on legal matters.
Last Action: 04-07-03 H Committee action pending House State Affairs

HB 3373 by Rangel - Relating to the treatment of certain private primary or secondary schools as charitable organizations for certain purposes.
Last Action: 04-01-03 H Introduced and referred to committee on House Civil Practices

HB 3375 by Rangel - Relating to the repeal of the Texas Academic Skills Program and establishing the Success Initiative.
Last Action: 04-01-03 H Introduced and referred to committee on House Higher Education

HB 3379 by Chavez - Relating to employment discrimination based on certain employer- imposed language requirements
Last Action: 04-30-03 H Hearing set for 8:00 A.M., E2.028 House Economic Development

HB 3392 by Burnam - Relating to loan repayment assistance for certain social workers who work for the Department of Protective and Regulatory Services.
Last Action: 04-01-03 H Introduced and referred to committee on House Higher Education

HB 3401 by Zedler - Relating to the repeal of the state prevailing wage rate laws.
Last Action: 04-01-03 H Introduced and referred to committee on House Business and Industry

HB 3418 by Goodman - Relating to eliminating certain requirements for publishing and distributing volumes of legislative acts and for distributing judicial reports and other state publications.
Last Action: 04-22-03 H Committee action pending House State Affairs

HB 3425 by Lewis - Relating to an intercollegiate athletic fee for students at Prairie View A&M.
Last Action: 05-24-03 S Recommended for Local/Uncontested Calendar

HB 3436 by Gallego - Relating to the disclosure of information relating to the investment of the Permanent University Fund.
Last Action: 04-01-03 H Introduced and referred to committee on House Higher Education

HB 3452 by Heflin - Relating to directing payment, after approval, of certain miscellaneous claims and judgments.
Last Action: 04-01-03 H Introduced and referred to committee on House Appropriations

HB 3453 by Heflin - Relating to suspending the operation of certain statutory funding formulas during the state fiscal biennium beginning September 1, 2003.
Last Action: 04-30-03 H Committee action pending House Appropriations

HB 3455 by Heflin - Relating to powers of the governor as the chief executive officer of the state.
Last Action: 04-01-03 H Introduced and referred to committee on House Government Reform

HB 3456 by Heflin - Relating to health benefit plans under the Employees Group Benefits Act.
Last Action: 05-07-03 S Received in the Senate - Referred to Senate State Affairs

HB 3463 by Villarreal - Relating to discrimination by the state, a political subdivision of the state, or a private person.
Last Action: 03-26-03 H Introduced and referred to committee on House State Affairs

HB 3466 by Mabry - Relating to excepting a risk or vulnerability assessment of a water system from required disclosure under the public information law.
Last Action: 04-01-03 H Introduced and referred to committee on House State Affairs

HB 3490 by Raymond - Relating to resolution of disputes arising under construction contracts.
Last Action: 05-07-03 H Hearing set for 2:00 P.M., E2.026 House Civil Practices

HB 3492 by Raymond - Relating to resolution of disputes arising under construction contracts.
Last Action: 05-07-03 H Hearing set for 2:00 P.M., E2.026 House Civil Practices

HB 3498 by Raymond - Relating to provision in certain contracts entered into by a governmental body.
Last Action: 05-15-03 H Set on the House Calendar

HB 3512 by Solis - Relating to the treatment of certain private primary or secondary schools as charitable organizations for certain purposes.
Last Action: 04-02-03 H Introduced and referred to committee on House Civil Practices

HB 3513 by Solis - Relating to the higher education coordinating board and higher education funding formulas.
Last Action: 04-02-03 H Introduced and referred to committee on House Higher Education

HB 3514 by Solis - Relating to an interim committee on higher education formula funding.
Last Action: 04-02-03 H Introduced and referred to committee on House Higher Education

HB 3589 by Giddings - Relating to a regional health care network pilot project in the workers' compensation system.
Last Action: 05-01-03 H Reported favorably from committee on House Business and Industry

HCR 4 by Solis - Relating to the Texas Higher Education Coordinating Board funding formulas.
Last Action: 05-08-03 S Sent to subcommittee Senate Education

HJR 50 by Wohlgemuth - Relating to allowing the governor to remove from office officers in the executive branch of state government who were appointed by a governor.
Last Action: 04-25-03 H Committee action pending House State Affairs

HJR 52 by Isett - Relating to expanding the governor's line-item veto authority to include the power to reduce the amount of an appropriation.
Last Action: 04-07-03 H Committee action pending House State Affairs

HJR 58 by Eissler - Relating to allowing current and retired college professors to receive compensation for serving on the governing bodies of school districts, cities, towns, or other local governmental districts, including water districts.
Last Action: 03-31-03 H Committee action pending House State Affairs

HJR 74 by Villarreal - Relating to permitting a person employed by a school district or public institution of higher education to simultaneously hold a state or local office.
Last Action: 03-18-03 H Introduced and referred to committee on House Public Education

HJR 82 by Goodman - Relating to providing for the continuation of funding for capital improvements and acquisition at the University of Texas at Arlington.
Last Action: 04-09-03 H Committee action pending House Higher Education

SB 1 by Bivins - Relating to the appropriations of money for the 2004-2005 Biennium.
Last Action: 04-16-03 S Hearing set for On Adj., Senate Finance

SB 9 by Harris, Chris - Relating to the composition of the districts for the election of members of the United States House of Representatives.
Last Action: 05-13-03 S Filed

SB 19 by Ratliff - Relating to audit and other related functions of the State Auditor and of certain other state entities.
Last Action: 06-02-03 G Sent to the Governor

SB 26 by Zaffirini - Relating to the establishment of a pilot program for retention of students in higher education.
Last Action: 05-23-03 H Recommended for Local and Consent Calendar

SB 28 by Zaffirini - Relating to the collection and maintenance of bacterial meningitis immunization records by public institutions of higher education.
Last Action: 03-24-03 S Returned to full committee as substituted Senate Education

SB 29 by Zaffirini - Relating to meetings of governing boards of public institutions of higher education held outside this state and to the manner in which certain meetings of those boards may be held.
Last Action: 01-27-03 S Sent to subcommittee Senate Education

SB 55 by Zaffirini - Relating to forensic evidence training for students enrolled in certain medical or nursing degree programs.
Last Action: 03-24-03 S Committee action pending Senate Education

SB 86 by Wentworth - Relating to the eligibility of a high school graduate for automatic admission to an institution of higher education.
Last Action: 06-02-03 H Point of order sustained

SB 87 by Wentworth - Relating to the participation of institutions of higher education in electronic government.
Last Action: 02-17-03 S Hearing set for 1:30 P.M. or Adj., Betty Ki...Senate Education

SB 95 by West, Royce - Relating to requiring a state agency to consider legislative intent during the process of adopting an agency rule.

Last Action: 04-22-03 H Referred to House Committee on House State Affairs

SB 111 by Barrientos - Relating to a voting student member on the board of regents of the University of Texas System.

Last Action: 03-31-03 S Returned to full committee as substituted Senate Education

SB 124 by Shapleigh - Relating to the continuance of the Telecommunications Infrastructure Fund Board and the limitation on deposits to the telecommunications infrastructure fund.

Last Action: 05-05-03 S Committee action pending Senate Finance

SB 129 by Fraser - Relating to the regulation of mold remediation and other mold-related activities.

Last Action: 03-20-03 S Committee action pending Senate Business and Commerce

SB 166 by Shapiro - Relating to sex offender registration requirements imposed on certain higher education workers or students and to immunity for release of public information obtained as a result of those requirements.

Last Action: 05-19-03 H Committee action pending House Law Enforcement

SB 170 by Barrientos - Relating to a uniform strategy to ensure that public institutions of higher education employ faculty and staff who reflect the population of Texas.

Last Action: 01-30-03 S Introduced and referred to committee on Senate Education

SB 231 by Ellis, Rodney - Relating to establishing ethics and disclosure requirements for certain persons, including financial consultants and advisors, involved in the management or investment of state funds.

Last Action: 02-05-03 S Introduced and referred to committee on Senate Government Organization

SB 256 by Harris, Chris - Relating to contingent payment clauses in construction contracts.

Last Action: 05-20-03 S Committee action pending Senate Business and Commerce

SB 265 by Lucio - Relating to continuation and functions of the State Board of Educator Certification.

Last Action: 05-27-03 H Point of order sustained under Rule 8, Section 16 in that the time for consideration of bills on second reading had expired for the session

SB 318 by Hinojosa - Relating to a fee to fund women's athletic programs of the University of Texas System.

Last Action: 02-06-03 S Introduced and referred to committee on Senate Education

SB 337 by Shapleigh - Relating to requiring the Texas Higher Education Coordinating Board to publish certain performance data provided to the board by general academic teaching institutions.

Last Action: 03-31-03 S Committee action pending Senate Education

SB 342 by Shapleigh - Relating to health care for certain Texans.

Last Action: 05-23-03 S Placed on the Senate Intent Calendar for

SB 362 by Ellis, Rodney - Relating to authorizing the issuance of revenue bonds for the University of Houston for recovery from Tropical Storm Allison recovery.

Last Action: 02-11-03 S Introduced and referred to committee on Senate Finance

SB 388 by Ellis, Rodney - Relating to the use and management of certain state-owned real property.

Last Action: 04-14-03 H Referred to House Committee on House Government Reform

SB 405 by Hinojosa - Relating to the prevention of, prosecution of, and punishment of identity theft and to assistance to certain victims of identity theft.

Last Action: 05-27-03 H Set on the House Calendar

SB 434 by Nelson - Relating to the issuance of urban forestry license plates.

Last Action: 03-10-03 S Sent to subcommittee Senate Infrastructure Development & Security

SB 465 by Lucio - Relating to incentives for certain high schools and high school students to participate in the Early High School Graduation Scholarship program.

Last Action: 02-17-03 S Introduced and referred to committee on Senate Education

SB 503 by Ogden - Relating to the provision of certain higher education information to the Higher Education Coordinating Board and to the public.

Last Action: 05-23-03 H Recommended for Local and Consent Calendar

SB 505 by Ellis, Rodney - Relating to mentor-protege programs used by certain state agencies for historically underutilized businesses.

Last Action: 02-19-03 S Introduced and referred to committee on Senate State Affairs

SB 506 by Ellis, Rodney - Relating to requiring, as a condition of eligibility to bid on an oil, gas, or other mineral lease on certain state land, a plan for procuring goods and services from or participating with historically underutilized businesses.
Last Action: 02-19-03 S Introduced and referred to committee on Senate State Affairs

SB 545 by Hinojosa - Relating to an intercollegiate athletics fee at Texas A&M University--Corpus Christi.
Last Action: 03-31-03 S Returned to full committee without amendments Senate Education

SB 571 by Shapleigh - Relating to the authority of the comptroller to conduct performance reviews of general academic teaching institutions.
Last Action: 04-02-03 S Hearing set for 1:00 p.m. on adj., Senate C...Senate Government Organization

SB 650 by Shapleigh - Relating to requiring state investment funds to post certain information on the Internet.
Last Action: 03-27-03 S Placed on the Senate Intent Calendar for

SB 665 by Ogden - Relating to the authority of certain institutions of higher education to charge tuition and student fees.
Last Action: 02-27-03 S Introduced and referred to committee on Senate Education

SB 666 by Ogden - Relating to the establishment of the matching excellence fund to promote research and develop excellence at certain institutions of higher education and to the abolition of the Texas excellence fund and the university research fund.
Last Action: 03-26-03 S Rereferred to Committee on Senate Finance

SB 722 by Van de Putte - Relating to a program to provide incentives for certain persons to earn doctorate degrees and enter the faculty and administration of institutions of higher education.
Last Action: 05-27-03 H Set on the House Calendar

SB 723 by Williams - Relating to tuition rebated to certain undergraduate students who graduate from an institution of higher education without excessive semester credit hours.
Last Action: 03-03-03 S Introduced and referred to committee on Senate Education

SB 754 by West, Royce - Relating to the creation of higher education enhancement districts.
Last Action: 04-14-03 S Returned to full committee as substituted Senate Education

SB 816 by Van de Putte - Relating to the payment of retirement benefits to certain retirees of the Teacher Retirement System who are employed as faculty members at a college of education.
Last Action: 03-10-03 S Introduced and referred to committee on Senate Education

SB 830 by Deuell - Relating to the ineligibility of a delinquent child support obligor to receive state-funded or state-administered student financial assistance.
Last Action: 03-10-03 S Introduced and referred to committee on Senate Jurisprudence

SB 872 by Wentworth - Relating to the application of the open meetings law and the public information law to meetings and information regarding certain plans, including emergency prevention or response plans and engineering or architectural plans.
Last Action: 03-27-03 S Committee action pending Senate Infrastructure Development & Security

SB 875 by Duncan - Relating to establishing uniform minimum ethics requirements for persons involved in the management or investment of state funds.
Last Action: 03-11-03 S Introduced and referred to committee on Senate Government Organization

SB 904 by Lindsay - Relating to the appointment by the governor of the presiding officers of the governing bodies of state agencies.
Last Action: 05-08-03 S Committee action pending Senate State Affairs

SB 933 by Shapiro - Relating to charter schools, including virtual charter schools, of public colleges and universities.
Last Action: 05-24-03 H Reported from committee as substituted House Public Education

SB 950 by Shapiro - Relating to reimbursement by school districts for developmental courses or programs taken by certain former district students at certain public institutions of higher education.
Last Action: 03-13-03 S Introduced and referred to committee on Senate Education

SB 986 by Wentworth - Relating to alternative dispute resolution of certain contract claims against the state.
Last Action: 03-13-03 S Introduced and referred to committee on Senate State Affairs

SB 1005 by West, Royce - Relating to reporting a state agency that is not complying with the requirement to make a good faith effort to increase the agency's use of historically underutilized businesses in purchasing and public works contracting.
Last Action: 04-22-03 H Referred to House Committee on House State Affairs

SB 1006 by West, Royce - Relating to requiring state institutions of higher education to develop plans for increasing the use of historically underutilized businesses in purchasing and contracting.

Last Action: 03-31-03 S Returned to full committee without amendments Senate Education

SB 1008 by West, Royce - Relating to preferential admission to graduate or professional degree programs at public institutions of higher education.

Last Action: 03-13-03 S Sent to subcommittee Senate Education

SB 1009 by West, Royce - Relating to the establishment of an undergraduate medical academy at Prairie View A&M University.

Last Action: 04-23-03 S Returned to full committee as substituted Senate Education

SB 1088 by Staples - Relating to eliminating certain requirements for publishing and distributing volumes of legislative acts and for distributing judicial reports and other state publications.

Last Action: 04-25-03 S Placed on the Senate Intent Calendar for

SB 1102 by Fraser - Relating to the eligibility of armed forces personnel and their family members to pay tuition and fees at the rate provided to Texas residents.

Last Action: 04-22-03 S Recommended for Local/Uncontested Calendar

SB 1113 by Nelson - Relating to the governmental entities subject to, and the confidentiality of records under, the sunset review process.

Last Action: 04-09-03 S Committee action pending Senate Government Organization

SB 1121 by Staples - Relating to the powers and duties of the General Land Office and the accounting and disposition of state-owned real property.

Last Action: 04-16-03 S Committee action pending Senate Natural Resources

SB 1162 by Barrientos - Relating to the accountability of administrators in institutions of higher education.

Last Action: 05-01-03 S Returned to full committee as substituted Senate Education

SB 1167 by Janek - Relating to increasing the number of registered nurses and other health care professionals.

Last Action: 05-02-03 S Recommended for Local/Uncontested Calendar

SB 1200 by Lucio - Relating to the creation of the TexasNext Step grant program.

Last Action: 05-21-03 H Referred to House Committee on House Higher Education

SB 1207 by Duncan - Relating to state liability for costs and attorney's fees in certain actions seeking declaratory judgment.

Last Action: 05-28-03 H Withdrawn from the Local Calendar

SB 1214 by Van de Putte - Relating to allowing a governmental body to deliberate in a closed meeting regarding the business and financial considerations of a proposed contract.

Last Action: 03-19-03 S Introduced and referred to committee on Senate State Affairs

SB 1216 by Janek - Relating to authorizing the issuance of revenue bonds for The University of Texas M.D. Anderson Cancer Center for biotechnology research and development facilities.

Last Action: 04-07-03 S Rereferred to Committee on Senate Finance

SB 1220 by Harris, Chris - Relating to the Texas emissions reduction plan.

Last Action: 04-16-03 S Committee action pending Senate Natural Resources

SB 1242 by Armbrister - Relating to the programs and systems administered by the Employees Retirement System.

Last Action: 03-19-03 S Introduced and referred to committee on Senate State Affairs

SB 1243 by Armbrister - Relating to systems and programs administered by the Teacher Retirement System.

Last Action: 05-27-03 H Set on the House Calendar

SB 1258 by Armbrister - Relating to local supplementation of state contributions to the optional retirement program for institutions of higher education and certain agencies.

Last Action: 03-19-03 S Introduced and referred to committee on Senate State Affairs

SB 1259 by Armbrister - Relating to deferred compensation plans for employees of regional education services and certain institutions of higher education.

Last Action: 03-19-03 S Introduced and referred to committee on Senate Education

SB 1332 by Barrientos - Relating to the regulation of time, place, and manner of speech a state institution of higher education.

Last Action: 03-19-03 S Introduced and referred to committee on Senate Education

SB 1333 by Barrientos - Relating to the transfer of the Commission on Human Rights to the Attorney General.
Last Action: 03-19-03 S Introduced and referred to committee on Senate Government Organization

SB 1355 by Ellis, Rodney - Relating to the Department of Information Resources management of information technology at state agencies.
Last Action: 03-19-03 S Introduced and referred to committee on Senate Government Organization

SB 1368 by Duncan - Relating to certain fees for students attending institutions in the Texas State University System.
Last Action: 04-08-03 S Sent to subcommittee Senate Education

SB 1371 by Duncan - Relating to state fiscal matters; making an appropriation.
Last Action: 03-19-03 S Introduced and referred to committee on Senate Finance

SB 1387 by Armbrister - Relating to the regulation of racing.
Last Action: 06-01-03 H House adopted conference report

SB 1397 by Ogden - Relating to the operation of Texas Task Force 1.
Last Action: 04-07-03 S Not heard in committee Senate Infrastructure Development & Security

SB 1401 by Fraser - Relating to the administration of the telecommunications infrastructure fund, including the abolition of the telecommunications infrastructure fund board and the transfer of the board's duties.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Finance

SB 1403 by Lucio - Relating to requiring the Department of Information Resources to establish an electronically searchable central database for all grants that will be awarded by a state agency.
Last Action: 05-20-03 H Recommended for Local and Consent Calendar

SB 1405 by Lucio - Relating to the authority of the Texas Department of Agriculture to manage an in-state quarantine.
Last Action: 04-25-03 S Placed on the Senate Intent Calendar for

SB 1420 by Janek - Relating to authorizing the issuance of revenue bonds for the University of Texas Health Science Center at Houston for the replacement of research and academic facilities lost in Tropical Storm Allison.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Finance

SB 1440 by Shapleigh - Relating to certain electronic and information resources technology projects of the state.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Government Organization

SB 1443 by Barrientos - Relating to a fee for statues of Barbara Jordan and Cesar Chavez and related scholarships at The University of Texas at Austin.
Last Action: 04-24-03 S Returned to full committee without amendments Senate Education

SB 1475 by West, Royce - Relating to historically underutilized businesses.
Last Action: 03-20-03 S Introduced and referred to committee on Senate State Affairs

SB 1478 by West, Royce - Relating to protecting certain public employees who report violations of law.
Last Action: 05-15-03 S Placed on the Senate Intent Calendar for

SB 1485 by Ogden - Relating to tuition and fees charged by institutions of higher education.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Education

SB 1486 by Ogden - Relating to funding of public institutions of higher education, including tuition rates that may be charged by those institutions.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Education

SB 1500 by Janek - Relating to a pilot project to allow select public junior colleges to offer certain baccalaureate degrees.
Last Action: 03-20-03 S Sent to subcommittee Senate Education

SB 1512 by Barrientos - Relating to the issuance of tuition revenue bonds by The University of Texas System for The University of Texas at Austin.
Last Action: 03-20-03 S Sent to subcommittee Senate Education

SB 1513 by Barrientos - Relating to various state workforce issues.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Government Organization

SB 1514 by Barrientos - Relating to the creation of an academic and research infrastructure fee at the University of Texas at Austin.
Last Action: 03-20-03 S Sent to subcommittee Senate Education

SB 1515 by Armbrister - Relating to an intercollegiate athletics fee for students at Prairie View A&M University.
Last Action: 03-20-03 S Sent to subcommittee Senate Education

SB 1516 by Armbrister - Relating to increasing governmental efficiency through the reduction of duplicative reporting and auditing requirements.
Last Action: 04-16-03 S Committee action pending Senate Government Organization

SB 1535 by Wentworth - Relating to the confidentiality of e-mail addresses under the public information law.
Last Action: 05-01-03 S Committee action pending Senate State Affairs

SB 1541 by Shapiro - Relating to the accountability of, and reporting by, public institutions of higher education.
Last Action: 04-15-03 S Committee action pending Senate Education

SB 1542 Shapiro - Relating to tuition flexibility at institutions of higher education.
Last Action: 05-05-03 S Placed on the Senate Intent Calendar for

SB 1579 by Carona - Relating to software acquisitions by state agencies.
Last Action: 05-08-03 S Committee action pending Senate State Affairs

SB 1586 by Lucio - Relating to establishing a health science center and medical school in the Rio Grande Valley.
Last Action: 03-20-03 S Sent to subcommittee Senate Education

SB 1599 by Armbrister - Relating to cost control and accountability in the decentralization of state programs and services.
Last Action: 04-28-03 S Committee action pending Senate State Affairs

SB 1630 by Ratliff - Relating to overhead expenses of conducting research at institutions of higher education and the indirect cost reimbursement relating to that research.
Last Action: 05-31-03 S Notes: HR 1738 allows conference committee changes

SB 1634 by Staples - Relating to the limitation on the allocation of office space to state agencies.
Last Action: 04-09-03 S Committee action pending Senate Government Organization

SB 1650 by Hinojosa - Relating to the creation of a Texas Privacy and Security Act and addressing the ways in which the information practices of state and local governmental entities affect personal privacy and the security of this state.
Last Action: 03-20-03 S Introduced and referred to committee on Senate State Affairs

SB 1654 by Ellis, Rodney - Relating to state agency utility savings and capital expenditure reductions.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Government Organization

SB 1675 by Fraser - Relating to the administration of state-federal relations and federal formula grant programs.
Last Action: 05-19-03 S Placed on the Senate Intent Calendar for

SB 1693 by Gallegos - Relating to enforcement of certain provisions in construction contracts.
Last Action: 03-20-03 S Introduced and referred to committee on Senate State Affairs

SB 1713 by Wentworth - Relating to the confidentiality of certain information relating to real property purchased or sold by certain state agencies.
Last Action: 05-02-03 H Referred to House Committee on House Land and Resource Management

SB 1717 by Brimer - Relating to the governance and operation of The University of Texas at Arlington.
Last Action: 04-08-03 S Sent to subcommittee Senate Education

SB 1718 by Williams - Relating to adjusting formula funding for institutions of higher education to account for differences between estimate and actual receipts of education and general funds.
Last Action: 05-05-03 S Committee action pending Senate Education

SB 1720 by Williams - Relating to a vendor's or subcontractor's remedy for nonpayment of certain contracts.
Last Action: 05-27-03 S Passed on local calendar (Vote: Y: 31/N: 0)

SB 1747 by Lucio - Relating to minimum personal leave for faculty members at public institutions of higher education.
Last Action: 05-15-03 S Hearing set for 8:30 A.M. Senate Education

SB 1752 by Estes - Relating to the use of the reverse auction procedure by state agencies.
Last Action: 04-30-03 S Recommended for Local/Uncontested Calendar

SB 1755 by Jackson - Relating to authorizing the issuance of revenue bonds for The University of Texas Medical Branch at Galveston to finance biomedical research facilities.
Last Action: 03-24-03 S Introduced and referred to committee on Senate Finance

SB 1778 by Ogden - Relating to the authority of a higher education authority or nonprofit organization exercising the powers of a higher education authority to acquire, construct, improve, or finance facilities.
Last Action: 05-27-03 H Set on the House Calendar

SB 1785 by Lucio - Relating to resolution of disputes arising under construction contracts.
Last Action: 03-24-03 S Introduced and referred to committee on Senate State Affairs

SB 1787 by Zaffirini - Relating to exempting certain persons in transitional living programs from the payment of tuition and fees at public institutions of higher education.
Last Action: 05-24-03 S Placed on the Senate Intent Calendar for

SB 1830 by Van de Putte - Relating to the grade point average of an imposition of a fee on a student who repeats a course at a public institution of higher education.
Last Action: 03-24-03 S Introduced and referred to committee on Senate Education

SB 1855 by Duncan - Relating to the establishment of the research development fund to promote research at certain institutions of higher education and to the abolition of the Texas excellence fund and the university research fund.
Last Action: 03-24-03 S Introduced and referred to committee on Senate Finance

SB 1860 by Bivins - Relating to making supplemental appropriations and making reductions in current appropriations.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Finance

SB 1861 by Bivins - Relating to directing payment, after approval, of certain miscellaneous claims and judgments against the state out of funds designated by this Act.
Last Action: 05-16-03 H Received in the House - Referred to House Appropriations

SB 1866 by Bivins - Relating to statutory to reduce appropriations made by the legislature to certain governmental entities.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Finance

SB 1867 by Bivins - Relating to revenue available to the state as a result of the tobacco settlement.
Last Action: 05-12-03 S Committee action pending Senate Finance

SB 1868 by Bivins - Relating to power of the governor as the chief executive officer of the state and the organization and efficiency of state agencies.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Finance

SB 1874 by Lucio - Relating to the Irma Rangel School of Pharmacy of Texas A&M University-Kingsville.
Last Action: 05-16-03 S Recommended for Local/Uncontested Calendar

SB 1879 by Van de Putte - Relating to certain practices to improve energy conservation in state buildings.
Last Action: 05-19-03 H Committee action pending House State Affairs

SB 1890 by Lucio - Relating to the members of the boards of regents of the University of Texas System and the Texas A&M University System.
Last Action: 03-31-03 S Sent to subcommittee Senate Education

SB 1908 by Ellis, Rodney - Relating to the disclosure of information relating to the investment of the permanent university fund and other funds under the management and control of the board of the University of Texas System.
Last Action: 05-08-03 S Committee action pending Senate Education

SB 1927 by Ogden - Relating to the construction, acquisition, financing, maintenance, management, operation, ownership and control of transportation facilities and the progress, improvement, policing, and safety of transportation in the state.
Last Action: 05-02-03 S Committee action pending Senate Infrastructure Development & Security

SB 1929 by West, Royce - Relating to the creation of the TexasNextStep grant program.
Last Action: 04-29-03 S Sent to subcommittee Senate Education

SB 1952 by Ellis, Rodney - Relating to the reorganization of efficiency in and other reform measures applying to state government.
Last Action: 05-31-03 H Notes: HR 1772 allows conference committee changes

SJR 2 by Brimer - Relating to authorizing a portion of the annual distribution from the permanent university fund to be appropriated to support certain institutions in the University of Texas System.
Last Action: 04-16-03 S Introduced and referred to committee on Senate Finance

SJR 19 by Williams - Relating to allowing current and retired college professors to receive compensation for serving on governing bodies.
Last Action: 06-02-03 G Filed with the Secretary of State

SJR 59 by Brimer - Proposing a constitutional amendment to provide for the continuation of funding for capital improvements and acquisitions at The University of Texas at Arlington.
Last Action: 03-20-03 S Introduced and referred to committee on Senate Education

1st & 2nd CALLED SPECIAL SESSIONS

On June 23rd, Governor Perry issued a proclamation announcing that the 1st Called Session of the 78th Legislature would begin on June 30th. The initial proclamation listed the issue of congressional redistricting as the only issue in the Call. Soon thereafter, the Governor expanded the Call to include twenty-eight other issues; most of the additional issues were topics that had been addressed in the governmental reorganization bills that did not pass during the regular session. The call also included technical "clean-up" appropriation-related issues from the regular session.

Redistricting was the dominating issue of the first Called Session. The House passed a revised congressional plan; however, when it reached the Senate, the Senate was unable to secure support from the necessary 2/3's (i.e., 21 senators) of its membership that is required under senate rules in order to bring a bill to the floor for debate. This meant that a congressional redistricting bill could not pass in this session.

On the last day (July 28th) of the 30 day 1st Called Session, eleven Senate Democrats left Texas in order to break quorum. The eleven Senators were concerned that the Governor, immediately upon 'sine die' would announce a 2nd Called Session, and if the eleven were present, thereby obtain a quorum. It had been mentioned in the press that the Lt. Governor might change Senate rules so that the 2/3's rule would not apply in a 2nd Called Session. So long as the "Texas 11" remained out of state in New Mexico, they effectively killed legislation that had preliminarily passed both the House and Senate during the 1st Called Session. Only one bill passed and was **concurred** by both chambers during the 1st Special Session.

The Senate adjourned on the afternoon of July 28th since it did not have a quorum. Immediately, the Governor announced a second Called Session commencing at 3:15 p.m.; however, by then the 11 Senators were on their way to Albuquerque, New Mexico. In addition to congressional redistricting, the Governor again opened the call to governmental reorganization issues. When and if these issues are addressed and passed by both houses remains an open question; however, since they contain several matters of importance to the A&M System, including funding for the Texas Wildlife Damage Management Service, we continue to monitor all legislation filed during any called session.

Among the issues that impact A&M System operations and have been included within the Governor Perry's call, and filed during the Called Sessions to date are:

- Appointment/removal by the Governor of chairs of boards of regents
- Issues related to the conservation of energy and water by state agencies;
- Issues regarding governmental retirees participation in group benefit plans; and
- The operation and transfer of the Aircraft Pooling Board

3rd CALLED SPECIAL SESSION

On September 9th, Governor Perry issued a proclamation announcing that the 3rd Called Session of the 78th Legislature would begin on September 15th. In addition to finalizing a revised congressional map, the very same issues that had been addressed the two previous sessions were again brought forth and passed. The Legislature adjourned October 12th.

The following is a listing of issues that impact TAMUS:

HB 7 by Swinford/Ogden - Relating to the organization, board membership, and functions of certain governmental agencies and to the transfer of certain functions to other governmental agencies. This was an iteration of the omnibus government reorganization bill that was addressed during the regular session but failed to pass. The following are issues incorporated into the legislation that impact higher education.

- **ARTICLE 1 - Governor's budget authority.** Establishes the governor's responsibility for preparing a budget and presenting copies to the Legislature before the Governor gives the State of the State address (previous time limitation was no later than the sixth day of the regular legislative session)
- **ARTICLE 4 — Allowing the LBB to meet by teleconference.** Article 4 of HB 7 would allow LBB members, except the chair and vice-chair, to attend meetings of the board by use of telephone conference call, video conference call, or other telecommunication device. The chair and vice-chair would have to be physically present at a meeting for other board members to attend by telecommunication device. The bill would apply for purposes of constituting a quorum, voting, and any other participation in a meeting by board members, regardless of the subject of the meeting or the topics considered.
- **ARTICLE 5 — Energy and Water Conservation by State Agencies. Fuel-saving technologies.** Article 5 of HB 7 would require state agencies with 10 or more vehicles or non-road diesels to reduce fuel consumption by at least 5 percent from 2002 levels by using cost-effective fuel-saving technologies. A fuel-saving technology would be considered cost-effective if the projected savings in fuel cost over a one-year period exceeded the cost of buying and using the technology. **Institutions of higher education were granted an exemption from this section of the bill. The Texas Transportation Institute is listed as one of the agencies that may be designated to assist in evaluating the fuel savings devices.**
- Article 5 also deals with **utility cost-savings contracts.** Before a state could make a capital expenditure to build, improve, or maintain a state building or facility, the agency would have to determine whether the expenditure could be financed with money generated

by a utility cost-savings contract. **Institutions of higher education were given an exemption from this section due to the fact that they do not receive a capital expenditure line item.**

- **ARTICLE 6 – Administration of Certain Legislative Agencies. Transfer of Performance Reviews and Efficiency Reviews** - All records and other property of the comptroller of public accounts that relate to a review of interscholastic competition, a performance review of school districts, an efficiency review of a state agency, or a records management review are transferred to the Legislative Budget Board. A section was added that allows the LBB to review general academic teaching institutions and junior colleges; this language mirrors what was passed via HB 2425 during the 78th Regular Session.
This section of the bill also adds two seats to the Sunset Advisory Board; one is to be a senate member and the other is a house member.
- **ARTICLE 24 – Comptroller of Public Accounts.** Directs the Comptroller to complete the evaluation and certification of the appropriations bill not later than the 10th day (excluding Sundays) after the date on which the bill is reported enrolled by the chamber of origin.
- **ARTICLE 27 – Public Information.** In SB 19, Section 75, passed during the 78th Session, there was an inadvertent repeal of Government Code, Section 552.010. Since 1999 all state agencies have been required to report the number of public information requests that are received. This section of HB 7 replaces the language that was deleted.
- **ARTICLE 31 – Aircraft Pooling Board.** The Texas Department of Transportation may enter into a MOU with the State Pooling Board to operate the pooling board on a full cost recovery basis for the FY 04-05 biennium. Language prohibits the charging of differential rates and allows the contract to be terminated only if the governor, lieutenant governor, and the speaker of the house all consent to the termination.

HB 28 by McCall/Bivins - Relating to state fiscal management, including various matters related to increasing administrative efficiency in state government; making related appropriations.

- **ARTICLE 1 – Workers Compensation Research.** Creates in statute the workers compensation research department as a department in the Department of Insurance. Eliminates the Research and Oversight Council on Workers' Compensation and transfers all the duties to the newly created division.
- **ARTICLE 7 - Appropriation of Vetoed Funds; Clarification of Use of Budget Execution Process for State Fiscal Relief.** This section amends Art. 9, sec. 11.28 of HB 1 to authorize the governor and the LBB to re-appropriate general revenue and general-revenue dedicated funds that were line-item vetoed to state agencies for state fiscal relief, acting under the budget execution authority of Government Code, chap. 317 and notwithstanding the Sec. 11.15 provision concerning this funds. The governor and the LBB could make a transfer, based on need, to an agency or for a purpose not described by the priority list in sec. 11.28(b).

- **ARTICLE 8 – B-On-Time Program.** Upon passage of SB 4 (B-On-Time Student Loan Program and HB 3015 (tuition deregulation and financial assistance set-aside), the language that was passed did not fully reflect the intentions of the Senate authors and House sponsors. The following are the issues that are clarified with the new language:
 - Makes the 5% set aside applicable only to resident undergraduate students instead of all students charged designated tuition. The program, as passed during the session, applied the set aside to designated tuition collected from all students including non-resident, graduate and professional students. A change was necessary because non-resident, graduate and professional students were not eligible to participate in the program.
 - Makes the 5% set aside required to support the loan program be a part of the 20% set aside established by HB 3015. Previously, the 5% set aside in SB 4 was to be in addition to the 20% set aside.
 - Makes the set aside applicable to designated tuition charged to the amounts above the \$46 per semester credit hour cap. Previously, the set aside would apply to excess amounts over the amount charged during the 2002 and 2003 academic year and even to those institutions below the statutory cap.
 - Provides for legislative review of the continued eligibility of students from private and independent institutions to participate in the student loan program. As it currently stands, students in these and other institutions are eligible to receive loan assistance from this program while not contributing to the fund supporting the program.
 - When signed by the Governor, this bill will take immediate effect. The SB 4 amendment has language that states that the application of the tuition set-aside "applies only to a semester or term that begins on or after the effective date of this Act" which means an effective date of Spring 2004. As of right now, we are interpreting that the set-aside prior to the clean-up language still needs to be accounted for during the Fall 2003 semester.

- **ARTICLE 10 – Revenue Bonds for Texas Tech University Health Science Center.** Authorizes the Texas Tech University System to issue up to \$45 million in tuition revenue bonds for an academic building for Texas Tech Health Science Center in El Paso.

- **ARTICLE 11 – Revenue Bonds for Texas Southern University; Recovery from Tropical Storm Allison.** Authorizes TSU to issue up to \$3,150,000 in tuition revenue bonds to restore facilities and related infrastructure due to Tropical Storm Allison.

- **ARTICLE 13 – Electronic Benefits and Enrollment System.** Directs the Council on Competitive Government and the Legislative Budget Board to conduct a cost savings study in regard to implementing a statewide electronic benefits and enrollment system. Mandates that all state agencies and institution of higher education would be required to utilize the system. The criteria for the system and vendor requirements is laid out in the bill.

ACKNOWLEDGEMENTS

Bill Analysis Task Force

The following is a listing of those individuals that served as primary analysts on the BATF for the 78th Legislative Session.

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PRIMARY ASSIGNMENTS

System at Large and Appropriations

Appropriations/Budget Issues
Assigned System Projects

TAMU-K, TAMU-CC, TAMIU
and Assigned System Projects

Prairie View A&M
University

Texas A&M University, including
College of Vet. Med. and TAMU@Gal.

The Engineering Program, including
TEES, TEEX, and TTI

System at Large and
WTAMU, Tarleton,
TAMU-C, TAMU-T

System Health Science Center
and Assigned System Projects

The Agriculture Program, including TAEX,
TAES, TFS, TADMS, and TVMDL
and Assigned System Projects

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