

By: Pitts

H.B. No. 3790

A BILL TO BE ENTITLED

AN ACT

relating to state fiscal matters.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1. REDUCTION OF EXPENDITURES AND IMPOSITION OF CHARGES

GENERALLY

SECTION 1.01. This article applies to each state agency, as that term is defined by Section 317.001, Government Code.

SECTION 1.02. Notwithstanding any other statute of this state, each state agency to which this article applies is authorized to reduce or recover expenditures by:

(1) consolidating any reports or publications the agency is required to make and filing or delivering any of those reports or publications exclusively by electronic means;

(2) extending the effective period of any license, permit, or registration the agency grants or administers;

(3) entering into a contract with another governmental entity or with a private vendor to carry out any of the agency's duties;

(4) modifying eligibility requirements for, the processes used to determine eligibility for, and the services provided to persons who receive benefits under any law the agency administers, including benefits and services required by federal law, to ensure that those benefits are received by the most deserving persons consistent with the purposes for which the

1 benefits are provided;

2 (5) providing that any communication between the
3 agency and another person and any document required to be delivered
4 to or by the agency, including any application, notice, billing
5 statement, receipt, or certificate, may be made or delivered by
6 e-mail or through the Internet; and

7 (6) adopting and collecting fees or charges to cover
8 any costs the agency incurs in performing its lawful functions.

9 ARTICLE 2. REDUCTION IN GENERAL APPROPRIATIONS ACT

10 SECTION 2.01. A state employee is not entitled to an amount
11 from the state for expenses, per diem, travel, or salary that
12 exceeds the amount authorized for those purposes by the General
13 Appropriations Act.

14 SECTION 2.02. An active, former, or retired visiting judge
15 or justice is not entitled to an amount from the state for expenses,
16 per diem, travel, or salary that exceeds the amount authorized for
17 those purposes by the General Appropriations Act.

18 SECTION 2.03. A local administrative district judge is not
19 entitled to a salary from the state under Section 659.012(d),
20 Government Code, that exceeds the amount authorized for that salary
21 by the General Appropriations Act.

22 SECTION 2.04. An active district judge is not entitled to
23 travel expenses under Section 24.019, Government Code, in an amount
24 that exceeds the amount authorized for those expenses by the
25 General Appropriations Act.

26 SECTION 2.05. A judge, justice, or prosecuting attorney is
27 not entitled to an amount from the state for a salary, a salary

1 supplement, office expenses or reimbursement of office expenses, or
2 travel that exceeds the amount authorized for those purposes by the
3 General Appropriations Act.

4 SECTION 2.06. (a) A county is not entitled to receive from
5 the state supplemental salary compensation for county prosecutors
6 under Section 46.0031, Government Code, or longevity pay
7 supplements reimbursement under Section 41.255, Government Code,
8 or any other supplements for prosecutors, in an amount that exceeds
9 the amount appropriated for those purposes by the General
10 Appropriations Act.

11 (b) A county is not entitled to state contributions for
12 salaries or supplements under Chapter 25 or 26, Government Code, in
13 an amount that exceeds the amounts appropriated for those purposes
14 in the General Appropriations Act.

15 (c) A county is not entitled to reimbursement under Article
16 11.071, Code of Criminal Procedure, for reimbursement for
17 compensation of counsel under that article in an amount that
18 exceeds the amount appropriated for that purpose in the General
19 Appropriations Act.

20 SECTION 2.07. A person reimbursed by the state for travel
21 and expenses for attendance as a witness as provided by Article
22 35.27, Code of Criminal Procedure, is not entitled to an amount that
23 exceeds the amount appropriated for that purpose by the General
24 Appropriations Act.

25 ARTICLE 3. FISCAL MATTERS REGARDING ASSISTANT PROSECUTORS

26 SECTION 3.01. Section 41.255(f), Government Code, is
27 amended to read as follows:

1 (f) A county is not required to pay longevity supplements if
2 the county does not receive funds from the comptroller as provided
3 by Subsection (d). If sufficient funds are not available to meet
4 the requests made by counties for funds for payment of assistant
5 prosecutors qualified for longevity supplements;

6 (1) [✓] the comptroller shall apportion the available
7 funds to the eligible counties by reducing the amount payable to
8 each county on an equal percentage basis;

9 (2) a county is not entitled to receive the balance of
10 the funds at a later date; and

11 (3) the longevity pay program under this chapter is
12 suspended to the extent of the insufficiency. [A county that
13 receives from the comptroller an amount less than the amount
14 certified by the county to the comptroller under Subsection (d)
15 shall apportion the funds received by reducing the amount payable
16 to eligible assistant prosecutors on an equal percentage basis, but
17 is not required to use county funds to make up any difference
18 between the amount certified and the amount received.]

19 SECTION 3.02. Section 41.255(g), Government Code, is
20 repealed.

21 ARTICLE 4. FISCAL MATTERS REGARDING PROCESS SERVERS

22 SECTION 4.01. Subchapter A, Chapter 51, Government Code, is
23 amended by adding Section 51.008 to read as follows:

24 Sec. 51.008. FEES FOR PROCESS SERVER CERTIFICATION. (a)
25 The process server review board established by supreme court order
26 may recommend to the supreme court the fees to be charged for
27 process server certification and renewal of certification. The

1 supreme court must approve the fees recommended by the process
2 server review board before the fees may be collected.

3 (b) If a certification is issued or renewed for a term that
4 is less than the certification period provided by supreme court
5 rule, the fee for the certification shall be prorated so that the
6 process server pays only that portion of the fee that is allocable
7 to the period during which the certification is valid. On renewal
8 of the certification on the new expiration date, the process server
9 must pay the entire certification renewal fee.

10 (c) The Office of Court Administration of the Texas Judicial
11 System may collect the fees recommended by the process server
12 review board and approved by the supreme court. Fees collected
13 under this section shall be sent to the comptroller for deposit to
14 the credit of the general revenue fund.

15 (d) Fees collected under this section may be appropriated to
16 the Office of Court Administration of the Texas Judicial System for
17 the support of regulatory programs for process servers and
18 guardians.

19 SECTION 4.02. Subchapter B, Chapter 72, Government Code, is
20 amended by adding Sections 72.013 and 72.014 to read as follows:

21 Sec. 72.013. PROCESS SERVER REVIEW BOARD. A person
22 appointed to the process server review board established by supreme
23 court order serves without compensation but is entitled to
24 reimbursement for actual and necessary expenses incurred in
25 traveling and performing official board duties.

26 Sec. 72.014. CERTIFICATION DIVISION. The office shall
27 establish a certification division to oversee the regulatory

1 programs assigned to the office by law or by the supreme court.

2 SECTION 4.03. (a) The fees recommended and approved under
3 Section 51.008, Government Code, as added by this article, apply
4 to:

5 (1) each person who holds a process server
6 certification on the effective date of this Act; and

7 (2) each person who applies for process server
8 certification on or after the effective date of this Act.

9 (b) The Office of Court Administration of the Texas Judicial
10 System shall prorate the process server certification fee so that a
11 person who holds a process server certification on the effective
12 date of this Act pays only that portion of the fee that is allocable
13 to the period during which the certification is valid. On renewal
14 of the certification on the new expiration date, the entire
15 certification renewal fee is payable.

16 ARTICLE 5. FISCAL MATTERS REGARDING JUDICIAL AND COURT PERSONNEL
17 TRAINING FUND

18 SECTION 5.01. Section 56.001, Government Code, is amended
19 to read as follows:

20 Sec. 56.001. JUDICIAL AND COURT PERSONNEL TRAINING FUND.

21 (a) The judicial and court personnel training fund is an account in
22 the general revenue fund. Money in the judicial and court personnel
23 training fund may be appropriated only to [~~created in the state~~
24 ~~treasury and shall be administered by~~] the court of criminal
25 appeals for the uses authorized in Section 56.003.

26 (b) [~~(i)~~] On requisition of the court of criminal appeals,
27 the comptroller shall draw a warrant on the fund for the amount

1 specified in the requisition for a use authorized in Section
2 56.003. A warrant may not exceed the amount appropriated for any
3 one fiscal year. [~~At the end of each state fiscal year, any~~
4 ~~unexpended balance in the fund in excess of \$500,000 shall be~~
5 ~~transferred to the general revenue fund.~~]

6 ARTICLE 6. FISCAL MATTERS REGARDING PAYMENT OF JURORS

7 SECTION 6.01. Section 61.001(a), Government Code, is
8 amended to read as follows:

9 (a) Except as provided by Subsection (c), a person who
10 reports for jury service in response to the process of a court is
11 entitled to receive as reimbursement for travel and other expenses
12 an amount:

13 (1) not less than \$6 for the first day or fraction of
14 the first day the person is in attendance in court in response to
15 the process and discharges the person's duty for that day; and

16 (2) not less than the amount provided in the General
17 Appropriations Act [~~\$40~~] for each day or fraction of each day the
18 person is in attendance in court in response to the process after
19 the first day and discharges the person's duty for that day.

20 SECTION 6.02. Sections 61.0015(a) and (e), Government Code,
21 are amended to read as follows:

22 (a) The state shall reimburse a county the appropriate
23 amount as provided in the General Appropriations Act [~~\$34 a day~~] for
24 the reimbursement paid under Section 61.001 to a person who reports
25 for jury service in response to the process of a court for each day
26 or fraction of each day after the first day in attendance in court
27 in response to the process.

1 (e) If a payment on a county's claim for reimbursement is
2 reduced under Subsection (d), or if a county fails to file the claim
3 for reimbursement in a timely manner, the comptroller may, as
4 provided by rule, apportion the payment of the balance owed the
5 county. The comptroller's rules may permit a different rate of
6 reimbursement for each quarterly payment under Subsection (c)
7 ~~[shall:~~

8 ~~[(1) pay the balance owed to the county when~~
9 ~~sufficient money described by Subsection (c) is available; or~~

10 ~~[(2) carry forward the balance owed to the county and~~
11 ~~pay the balance to the county when the next payment is required].~~

12 ARTICLE 7. STATE TAXES AND FEES

13 SECTION 7.01. Section 34.04, Alcoholic Beverage Code, is
14 amended by amending Subsection (b) and adding Subsections (c), (d),
15 and (e) to read as follows:

16 (b) The preparation and service of alcoholic beverages by
17 the holder of an airline beverage permit is exempt from the tax
18 imposed by Chapter 151, Tax Code ~~[the Limited Sales, Excise and Use~~
19 ~~Tax Act]~~. An airline beverage service fee of five cents is imposed
20 on each individual serving of an alcoholic beverage served by the
21 permittee inside the state. The fee accrues at the time the
22 container containing an alcoholic beverage is delivered to the
23 passenger. The permittee may absorb the cost of the fee or may
24 collect it from the passenger. Subject to Subsections (c) and (e),
25 the ~~[The]~~ permittee shall remit the fees to the commission each
26 month under a reporting system prescribed by the commission.

27 (c) A permittee shall remit not later than the last workday

1 of August of each odd-numbered year the portion prescribed by this
2 subsection of the fees and taxes described by this section that
3 accrue during that month and that would otherwise have been due in
4 September under the reporting system in effect on January 1, 2011.
5 The remittance must be accompanied by a report containing estimates
6 for the month of August of the information ordinarily required on
7 the report if it were filed in September. A remittance under this
8 subsection must be equal to one of the following amounts, at the
9 permittee's election:

10 (1) 90 percent of the estimated amount of the taxes and
11 fees the permittee is required to collect and remit for the August
12 reporting period; or

13 (2) the amount of taxes and fees the permittee
14 actually collected and remitted in August of the preceding year.

15 (d) The report and payment required by Subsection (c) may be
16 made in conjunction with the report and payment ordinarily required
17 during August under the reporting system prescribed by the
18 commission.

19 (e) A permittee who files a report required by Subsection
20 (c) shall file a supplemental report not later than September 15 of
21 each odd-numbered year that reports the total amount of taxes and
22 fees collected for the month of August of that year and the amount
23 required to be remitted. If the payment made under Subsection (c)
24 is less than the amount required to be remitted, the supplemental
25 report must be accompanied by a payment for the difference between
26 the amount required to be remitted and the amount of the payment
27 made under Subsection (c). If the payment made under Subsection (c)

1 exceeds the amount required to be remitted, the supplemental report
2 must state the amount of the overpayment. The permittee filing the
3 supplemental report may take a credit in the amount of the
4 overpayment against the next payment due under the reporting system
5 prescribed by the commission.

6 SECTION 7.02. Section 48.04, Alcoholic Beverage Code, is
7 amended by amending Subsection (b) and adding Subsections (c), (d),
8 and (e) to read as follows:

9 (b) The preparation and service of alcoholic beverages by
10 the holder of a passenger train beverage permit is exempt from the
11 tax imposed by Chapter 151, Tax Code [~~the Limited Sales, Excise, and~~
12 ~~Use Tax Act (Section 151.001 et seq., Tax Code)~~]. A passenger train
13 service fee of five cents is imposed on each individual serving of
14 an alcoholic beverage served by the permittee inside the state. The
15 fee accrues at the time the container containing an alcoholic
16 beverage is delivered to the passenger. Subject to Subsections (c)
17 and (e), the [The] permittee shall remit the fees to the commission
18 each month under a reporting system prescribed by the commission.

19 (c) A permittee shall remit not later than the last workday
20 of August of each odd-numbered year the portion prescribed by this
21 subsection of the fees and taxes described by this section that
22 accrue during that month and that would otherwise have been due in
23 September under the reporting system in effect on January 1, 2011.
24 The remittance must be accompanied by a report containing estimates
25 for the month of August of the information ordinarily required on
26 the report if it were filed in September. A remittance under this
27 subsection must be equal to one of the following amounts, at the

1 permittee's election:

2 (1) 90 percent of the estimated amount of the taxes and
3 fees the permittee is required to collect and remit for the August
4 reporting period; or

5 (2) the amount of taxes and fees the permittee
6 actually collected and remitted in August of the preceding year.

7 (d) The report and payment required by Subsection (c) may be
8 made in conjunction with the report and payment ordinarily required
9 during August under the reporting system prescribed by the
10 commission.

11 (e) A permittee who files a report required by Subsection
12 (c) shall file a supplemental report not later than September 15 of
13 each odd-numbered year that reports the total amount of taxes and
14 fees collected for the month of August of that year and the amount
15 required to be remitted. If the payment made under Subsection (c)
16 is less than the amount required to be remitted, the supplemental
17 report must be accompanied by a payment for the difference between
18 the amount required to be remitted and the amount of the payment
19 made under Subsection (c). If the payment made under Subsection (c)
20 exceeds the amount required to be remitted, the supplemental report
21 must state the amount of the overpayment. The permittee filing the
22 supplemental report may take a credit in the amount of the
23 overpayment against the next payment due under the reporting system
24 prescribed by the commission.

25 SECTION 7.03. Section 201.07, Alcoholic Beverage Code, is
26 amended to read as follows:

27 Sec. 201.07. DUE DATE. (a) Subject to Subsections (b) and

1 (d), the [The] tax on liquor is due and payable on the 15th of the
2 month following the first sale, together with a report on the tax
3 due.

4 (b) Each permittee who is liable for the taxes imposed by
5 this subchapter shall file not later than the last workday of August
6 of each odd-numbered year the report that would otherwise have been
7 due on or before September 15 of that year under Subsection (a)
8 without accounting for any credit or discount to which the
9 permittee is entitled. The report must contain estimates for the
10 month of August of the information ordinarily required on the
11 report if it were filed in September, other than information
12 relating to any credit or discount to which the permittee is
13 entitled. The permittee must remit with the report a payment equal
14 to one of the following amounts, at the permittee's election:

15 (1) 90 percent of the estimated amount of tax for which
16 the permittee is liable for the month of August without accounting
17 for any credit or discount to which the permittee is entitled; or

18 (2) the amount of tax the permittee actually collected
19 and remitted in August of the preceding year.

20 (c) The report and payment required by Subsection (b) may be
21 filed in conjunction with the report and payment required by
22 Subsection (a) that is due on or before August 15 of an odd-numbered
23 year.

24 (d) A permittee who files a report required by Subsection
25 (b) shall file a supplemental report not later than September 15 of
26 each odd-numbered year that reports the total amount of tax for
27 which the permittee is liable for the month of August of that year

1 and the amount required to be remitted, after accounting for any
2 credit or discount to which the permittee is entitled. If the
3 payment made under Subsection (b) is less than the amount required
4 to be remitted, the supplemental report must be accompanied by a
5 payment for the difference between the amount required to be
6 remitted and the amount of the payment made under Subsection (b).
7 If the payment made under Subsection (b) exceeds the amount
8 required to be remitted, the supplemental report must state the
9 amount of the overpayment. The permittee filing the supplemental
10 report may take a credit in the amount of the overpayment against
11 the next payment due under Subsection (a).

12 SECTION 7.04. Section 201.43, Alcoholic Beverage Code, is
13 amended by amending Subsection (b) and adding Subsections (c), (d),
14 and (e) to read as follows:

15 (b) Subject to Subsections (c) and (e), the [The] tax is due
16 and payable on the 15th day of the month following the month in
17 which the taxable first sale occurs, together with a report on the
18 tax due.

19 (c) Each permittee who is liable for the tax imposed by this
20 subchapter shall file not later than the last workday of August of
21 each odd-numbered year the report that would otherwise have been
22 due on or before September 15 of that year under Subsection (b)
23 without accounting for any credit or discount to which the
24 permittee is entitled. The report must contain estimates for the
25 month of August of the information ordinarily required on the
26 report if it were filed in September, other than information
27 relating to any credit or discount to which the permittee is

1 entitled. The permittee must remit with the report a payment equal
2 to one of the following amounts, at the permittee's election:

3 (1) 90 percent of the estimated amount of tax the
4 permittee is required to collect and remit during August without
5 accounting for any credit or discount to which the permittee is
6 entitled; or

7 (2) the amount of tax the permittee actually collected
8 and remitted in August of the preceding year.

9 (d) The report and payment required by Subsection (c) may be
10 filed in conjunction with the report and payment required by
11 Subsection (b) that is due on or before August 15 of an odd-numbered
12 year.

13 (e) A permittee who files a report required by Subsection
14 (c) shall file a supplemental report not later than September 15 of
15 each odd-numbered year that reports the total amount of tax for
16 which the permittee is liable for the month of August of that year
17 and the amount required to be remitted, after accounting for any
18 credit or discount to which the permittee is entitled. If the
19 payment made under Subsection (c) is less than the amount required
20 to be remitted, the supplemental report must be accompanied by a
21 payment for the difference between the amount required to be
22 remitted and the amount of the payment made under Subsection (c).
23 If the payment made under Subsection (c) exceeds the amount
24 required to be remitted, the supplemental report must state the
25 amount of the overpayment. The permittee filing the supplemental
26 report may take a credit in the amount of the overpayment against
27 the next payment due under Subsection (b).

1 SECTION 7.05. Section 203.03, Alcoholic Beverage Code, is
2 amended by amending Subsection (b) and adding Subsections (c), (d),
3 and (e) to read as follows:

4 (b) Subject to Subsections (c) and (e), the [The] tax is due
5 and payable on the 15th day of the month following the month in
6 which the taxable first sale occurs, together with a report on the
7 tax due.

8 (c) Each licensee who is liable for the tax imposed by this
9 chapter shall file not later than the last workday of August of each
10 odd-numbered year the report that would otherwise have been due on
11 or before September 15 of that year under Subsection (b) without
12 accounting for any credit or discount to which the licensee is
13 entitled. The report must contain estimates for the month of August
14 of the information ordinarily required on the report if it were
15 filed in September, other than information relating to any credit
16 or discount to which the licensee is entitled. The licensee must
17 remit with the report a payment equal to one of the following
18 amounts, at the licensee's election:

19 (1) 90 percent of the estimated amount of tax for which
20 the licensee is liable for the month of August without accounting
21 for any credit or discount to which the licensee is entitled; or

22 (2) the amount of tax the licensee actually collected
23 and remitted in August of the preceding year.

24 (d) The report and payment required by Subsection (c) may be
25 filed in conjunction with the report and payment required by
26 Subsection (b) that is due on or before August 15 of an odd-numbered
27 year.

1 (e) A licensee who files a report required by Subsection (c)
2 shall file a supplemental report not later than September 15 of each
3 odd-numbered year that reports the total amount of tax for which the
4 licensee is liable for the month of August of that year and the
5 amount required to be remitted, after accounting for any credit or
6 discount to which the licensee is entitled. If the payment made
7 under Subsection (c) is less than the amount required to be
8 remitted, the supplemental report must be accompanied by a payment
9 for the difference between the amount required to be remitted and
10 the amount of the payment made under Subsection (c). If the payment
11 made under Subsection (c) exceeds the amount required to be
12 remitted, the supplemental report must state the amount of the
13 overpayment. The licensee filing the supplemental report may take
14 a credit in the amount of the overpayment against the next payment
15 due under Subsection (b).

16 SECTION 7.06. Section 154.021(b), Tax Code, is amended to
17 read as follows:

18 (b) The tax rates are:

19 (1) \$70.51 [~~\$70.50~~] per thousand on cigarettes
20 weighing three pounds or less per thousand; and

21 (2) the rate provided by Subdivision (1) plus \$2.10
22 per thousand on cigarettes weighing more than three pounds per
23 thousand.

24 SECTION 7.07. Section 162.114, Tax Code, is amended by
25 amending Subsections (a) and (c) and adding Subsections (e), (f),
26 (g), and (h) to read as follows:

27 (a) Except as provided by Subsections [~~Subsection~~] (b),

1 (e), and (g), each person who is liable for the tax imposed by this
2 subchapter, a terminal operator, and a licensed distributor shall
3 file a return on or before the 25th day of the month following the
4 end of each calendar month.

5 (c) The return required by this section shall be accompanied
6 by a payment for the amount of tax reported due, subject to
7 Subsections (e) and (g).

8 (e) Each person who is liable for collecting and remitting
9 the tax imposed by this subchapter on a monthly basis shall file not
10 later than the last workday of August of each odd-numbered year the
11 return that would otherwise have been due on or before September 25
12 of that year under Subsection (a) without accounting for any credit
13 or allowance to which the person is entitled. The return must
14 contain estimates for the month of August of the information
15 ordinarily required on the return if it were filed in September,
16 other than information relating to any credit or allowance to which
17 the person is entitled. The person must remit with the return a
18 payment equal to one of the following amounts, at the person's
19 election:

20 (1) 90 percent of the estimated amount of tax the
21 person is required to collect and remit during August without
22 accounting for any credit or allowance to which the person is
23 entitled; or

24 (2) the amount of tax the person actually collected
25 and remitted in August of the preceding year.

26 (f) The return and payment required by Subsection (e) may be
27 filed in conjunction with the return and payment required by

1 Subsection (a) that is due on or before August 25 of an odd-numbered
2 year.

3 (g) A person who files a return required by Subsection (e)
4 shall file a supplemental return not later than September 25 of each
5 odd-numbered year that reports the total amount of tax collected
6 for the month of August of that year and the amount required to be
7 remitted, after accounting for any credit or allowance to which the
8 person is entitled. If the payment made under Subsection (e) is
9 less than the amount required to be remitted, the supplemental
10 return must be accompanied by a payment for the difference between
11 the amount required to be remitted and the amount of the payment
12 made under Subsection (e). If the payment made under Subsection (e)
13 exceeds the amount required to be remitted, the supplemental return
14 must state the amount of the overpayment. The person filing the
15 supplemental return may take a credit in the amount of the
16 overpayment against the next payment due under Subsection (c).

17 (h) The comptroller may adopt rules prescribing the
18 information required on a return filed under Subsection (e) or a
19 supplemental return filed under Subsection (g).

20 SECTION 7.08. Section 162.215, Tax Code, is amended by
21 amending Subsections (a) and (c) and adding Subsections (e), (f),
22 (g), and (h) to read as follows:

23 (a) Except as provided by Subsections [~~Subsection~~] (b),
24 (e), and (g), each person who is liable for the tax imposed by this
25 subchapter, a terminal operator, and a licensed distributor shall
26 file a return on or before the 25th day of the month following the
27 end of each calendar month.

1 (c) The return required by this section shall be accompanied
2 by a payment for the amount of tax reported due, subject to
3 Subsections (e) and (g).

4 (e) Each person who is liable for collecting and remitting
5 the tax imposed by this subchapter on a monthly basis shall file not
6 later than the last workday of August of each odd-numbered year the
7 return that would otherwise have been due on or before September 25
8 of that year under Subsection (a) without accounting for any credit
9 or allowance to which the person is entitled. The return must
10 contain estimates for the month of August of the information
11 ordinarily required on the return if it were filed in September,
12 other than information relating to any credit or allowance to which
13 the person is entitled. The person must remit with the return a
14 payment equal to one of the following amounts, at the person's
15 election:

16 (1) 90 percent of the estimated amount of tax the
17 person is required to collect and remit during August without
18 accounting for any credit or allowance to which the person is
19 entitled; or

20 (2) the amount of tax the person actually collected
21 and remitted in August of the preceding year.

22 (f) The return and payment required by Subsection (e) may be
23 filed in conjunction with the return and payment required by
24 Subsection (a) that is due on or before August 25 of an odd-numbered
25 year.

26 (g) A person who files a return required by Subsection (e)
27 shall file a supplemental return not later than September 25 of each

1 odd-numbered year that reports the total amount of tax collected
2 for the month of August of that year and the amount required to be
3 remitted, after accounting for any credit or allowance to which the
4 person is entitled. If the payment made under Subsection (e) is
5 less than the amount required to be remitted, the supplemental
6 return must be accompanied by a payment for the difference between
7 the amount required to be remitted and the amount of the payment
8 made under Subsection (e). If the payment made under Subsection (e)
9 exceeds the amount required to be remitted, the supplemental return
10 must state the amount of the overpayment. The person filing the
11 supplemental return may take a credit in the amount of the
12 overpayment against the next payment due under Subsection (c).

13 (h) The comptroller may adopt rules prescribing the
14 information required on a return filed under Subsection (e) or a
15 supplemental return filed under Subsection (g).

16 SECTION 7.09. Section 162.503, Tax Code, is amended to read
17 as follows:

18 Sec. 162.503. ALLOCATION OF GASOLINE TAX. (a) Except as
19 provided by Subsection (b), on [On] or before the fifth workday
20 after the end of each month, the comptroller, after making all
21 deductions for refund purposes and for the amounts allocated under
22 Sections 162.502 and 162.5025, shall allocate the net remainder of
23 the taxes collected under Subchapter B as follows:

24 (1) one-fourth of the tax shall be deposited to the
25 credit of the available school fund;

26 (2) one-half of the tax shall be deposited to the
27 credit of the state highway fund for the construction and

1 maintenance of the state road system under existing law; and

2 (3) from the remaining one-fourth of the tax the
3 comptroller shall:

4 (A) deposit to the credit of the county and road
5 district highway fund all the remaining tax receipts until a total
6 of \$7,300,000 has been credited to the fund each fiscal year; and

7 (B) after the amount required to be deposited to
8 the county and road district highway fund has been deposited,
9 deposit to the credit of the state highway fund the remainder of the
10 one-fourth of the tax, the amount to be provided on the basis of
11 allocations made each month of the fiscal year, which sum shall be
12 used by the Texas Department of Transportation for the
13 construction, improvement, and maintenance of farm-to-market
14 roads.

15 (b) The comptroller may not allocate revenue remitted to the
16 comptroller during July and August of each odd-numbered year before
17 the first workday of September. The revenue shall be allocated as
18 otherwise provided by Subsection (a) not later than the fifth
19 workday of September.

20 SECTION 7.10. Section 162.504, Tax Code, is amended to read
21 as follows:

22 Sec. 162.504. ALLOCATION OF DIESEL FUEL TAX. (a) Except as
23 provided by Subsection (b), on [On] or before the fifth workday
24 after the end of each month, the comptroller, after making
25 deductions for refund purposes, for the administration and
26 enforcement of this chapter, and for the amounts allocated under
27 Section 162.5025, shall allocate the remainder of the taxes

1 collected under Subchapter C as follows:

2 (1) one-fourth of the taxes shall be deposited to the
3 credit of the available school fund; and

4 (2) three-fourths of the taxes shall be deposited to
5 the credit of the state highway fund.

6 (b) The comptroller may not allocate revenue remitted to the
7 comptroller during July and August of each odd-numbered year before
8 the first workday of September. The revenue shall be allocated as
9 otherwise provided by Subsection (a) not later than the fifth
10 workday of September.

11 SECTION 7.11. Section 171.152(c), Tax Code, is amended to
12 read as follows:

13 (c) Except as provided by Section 171.153, payment
14 [Payment] of the tax covering the regular annual period is due May
15 15[~~7~~] of each year after the beginning of the regular annual period.
16 However, if the first anniversary of the taxable entity's beginning
17 date is after October 3 and before January 1, the payment of the tax
18 covering the first regular annual period is due on the same date as
19 the tax covering the initial period.

20 SECTION 7.12. Subchapter D, Chapter 171, Tax Code, is
21 amended by adding Section 171.153 to read as follows:

22 Sec. 171.153. DATES ON WHICH PAYMENTS FROM CERTAIN LARGE
23 TAXABLE ENTITIES ARE DUE. (a) For purposes of this section, a
24 "large taxable entity" means a taxable entity for which the amount
25 of the tax reported as due under this chapter for the preceding
26 regular annual period exceeds the median amount of tax reported as
27 due under this chapter of all taxable entities for the same annual

1 period. A taxable entity may not be considered a large taxable
2 entity before the regular annual period following the taxable
3 entity's first regular annual period. Not later than June 1 of each
4 year, the comptroller shall:

5 (1) compute the median tax liability under this
6 chapter of all taxable entities for the preceding regular annual
7 period; and

8 (2) post the information on the comptroller's Internet
9 website for a taxable entity's use in determining whether the
10 entity is a large taxable entity.

11 (b) A large taxable entity shall pay the tax covering the
12 regular annual period in five payments. The first four payments are
13 due July 15, October 15, January 15, and April 15, and each must be
14 in an amount equal to one-fourth of 90 percent of the large taxable
15 entity's total tax owed for the preceding regular annual period.
16 The large taxable entity shall make a final payment equal to the
17 total tax for the regular annual period, minus the sum of the
18 amounts of the first four payments. The final payment is due May
19 15. If the sum of the amounts of the first four payments exceeds the
20 total tax for the regular annual period, the large taxable entity
21 may deduct the amount of the overpayment from the next payment
22 required to be made under this chapter or request a refund of that
23 amount.

24 (c) A large taxable entity that is authorized to request an
25 extension under Section 171.202 may request an extension for making
26 a tax payment required under this section. A request for an
27 extension under this section must be made in accordance with

1 procedures adopted by the comptroller by rule that are comparable
2 to the procedures applicable to a request for an extension under
3 Section 171.202, including the requirements for remitting a portion
4 of the amount due with the request.

5 (d) The comptroller shall adopt rules as necessary
6 prescribing:

7 (1) the manner in which payments are made under this
8 section and any information that must accompany the payments; and

9 (2) procedures for the making and granting of a
10 request for an extension under this section that are comparable to
11 the procedures under Section 171.202 to the extent practicable.

12 (e) Notwithstanding the payment schedule required by this
13 section, a large taxable entity's annual report is due on the date
14 prescribed by Section 171.202, and a reference in this chapter to
15 the date the report is originally due means the date prescribed by
16 that section.

17 SECTION 7.13. Subchapter B, Chapter 183, Tax Code, is
18 amended by adding Section 183.024 to read as follows:

19 Sec. 183.024. DUE DATES OF CERTAIN RETURNS AND PAYMENTS.

20 (a) This section applies to the reporting and remittance of taxes
21 imposed under this subchapter during August of each odd-numbered
22 year and prevails to the extent of a conflict with Section 183.022
23 or 183.023.

24 (b) A permittee shall file with the comptroller not later
25 than the last workday of August of each odd-numbered year the tax
26 return that would otherwise have been due on or before September 20
27 of that year under Section 183.022 without accounting for any

1 credit or allowance to which the permittee is entitled. The return
2 must contain estimates for the month of August of the information
3 ordinarily required on the return if it were filed in September,
4 other than information relating to any credit or allowance to which
5 the permittee is entitled. The permittee must remit with the return
6 a payment equal to one of the following amounts, at the permittee's
7 election:

8 (1) 90 percent of the estimated amount of tax imposed
9 on the permittee during August without accounting for any credit or
10 allowance to which the permittee is entitled; or

11 (2) the amount of tax actually imposed on the
12 permittee and remitted in August of the preceding year.

13 (c) The return and payment required by Subsection (b) may be
14 filed in conjunction with the return and payment required by
15 Sections 183.022 and 183.023 that is due on or before August 20 of
16 an odd-numbered year.

17 (d) A permittee who files a return required by Subsection
18 (b) shall file a supplemental return not later than September 20 of
19 each odd-numbered year that reports the total amount of tax
20 collected for the month of August of that year and the amount
21 required to be remitted, after accounting for any credit or
22 allowance to which the permittee is entitled. If the payment made
23 under Subsection (b) is less than the amount required to be
24 remitted, the supplemental return must be accompanied by a payment
25 for the difference between the amount required to be remitted and
26 the amount of the payment made under Subsection (b). If the payment
27 made under Subsection (b) exceeds the amount required to be

1 remitted, the supplemental return must state the amount of the
2 overpayment. The permittee filing the supplemental return may take
3 a credit in the amount of the overpayment against the next payment
4 due under Section 183.023.

5 SECTION 7.14. Section 181.002, Tax Code, is amended to read
6 as follows:

7 Sec. 181.002. RATE OF TAX. The rate of the tax imposed by
8 this chapter is \$0.0274 [~~\$0.0275~~] for each 100 pounds or fraction of
9 100 pounds of taxable cement.

10 SECTION 7.15. (a) Notwithstanding Section 171.153(a), Tax
11 Code, as added by this article, the comptroller of public accounts
12 shall make the initial computation of median tax liability and post
13 the information on the comptroller's Internet website as required
14 by that subsection not later than June 15 of the year in which
15 Section 171.153, Tax Code, as added by this article, takes effect.

16 (b) The initial payment from a large taxpayer under Section
17 171.153(b), Tax Code, as added by this article, is due July 15 of
18 the year in which Section 171.153, Tax Code, as added by this
19 article, takes effect.

20 SECTION 7.16. (a) Except as provided by Subsection (b) of
21 this section, this article takes effect immediately if this Act
22 receives a vote of two-thirds of all the members elected to each
23 house, as provided by Section 39, Article III, Texas Constitution.
24 If this Act does not receive the vote necessary for immediate
25 effect:

26 (1) except as provided by Subdivision (2) of this
27 subsection, this article takes effect September 1, 2011; and

1 (2) Section 171.152(c), Tax Code, as amended by this
2 article, and Section 171.153, Tax Code, as added by this article,
3 take effect June 1, 2012.

4 (b) The changes in law made by this article to Sections
5 154.021(b) and 181.002, Tax Code, take effect September 1, 2011.

6 ARTICLE 8. STATE PENSION REVIEW BOARD

7 SECTION 8.01. Sections 801.113(c) and (e), Government Code,
8 are amended to read as follows:

9 (c) The governing board of a ~~[any]~~ public retirement system
10 shall ~~[may vote to]~~ make an annual contribution to the State Pension
11 Review Board in an amount equal ~~[not]~~ to ~~[exceed]~~ 50 cents for each
12 active member and annuitant of the retirement system as of
13 September 1 of the year for which the contribution is made. The
14 contribution is payable in a lump sum.

15 (e) The board is authorized to conduct training sessions,
16 schools, or other educational activities for trustees and
17 administrators of public retirement systems. The board may also
18 furnish other appropriate services such as actuarial studies or
19 other requirements of systems and may establish appropriate fees
20 for these activities and services. ~~[The fees may be based on
21 whether or not the trustees, administrators, or systems contribute
22 to the State Pension Review Board fund under Subsection (c) of this
23 section.]~~ The net proceeds of these fees shall be deposited in the
24 fund.

25 SECTION 8.02. The governing board of a public retirement
26 system shall make the initial contribution required under Section
27 801.113(c), Government Code, as amended by this article, to the

1 State Pension Review Board fund as required by that section on or
2 before September 1, 2011.

3 SECTION 8.03. This article takes effect immediately if this
4 Act receives a vote of two-thirds of all the members elected to each
5 house, as provided by Section 39, Article III, Texas Constitution.
6 If this Act does not receive the vote necessary for immediate
7 effect, this article takes effect on the 91st day after the last day
8 of the legislative session.

9 ARTICLE 9. STATE BAR OF TEXAS

10 SECTION 9.01. Section 81.054, Government Code, is amended
11 by adding Subsections (m) and (n) to read as follows:

12 (m) A member is not required to pay a membership fee for a
13 year in which the member is employed as a full-time attorney by the
14 office of the attorney general.

15 (n) The state bar shall adopt rules governing the proration
16 of a membership fee paid by an attorney who is not employed by the
17 office of the attorney general for an entire year.

18 SECTION 9.02. Sections 81.054(m) and (n), Government Code,
19 as added by this article, apply to a membership fee for membership
20 or renewal of membership in the State Bar of Texas that becomes due
21 on or after the effective date of this article. A membership fee
22 for membership or renewal of membership that becomes due before the
23 effective date of this article is governed by the law in effect on
24 the date the membership fee becomes due, and the former law is
25 continued in effect for that purpose.

26 SECTION 9.03. This article takes effect January 1, 2012.

ARTICLE 10. COMPTROLLER: UNCLAIMED PROPERTY

SECTION 10.01. Section 74.509, Property Code, is amended to read as follows:

Sec. 74.509. HANDLING FEE FOR PROCESSING UNCLAIMED PROPERTY. (a) The comptroller shall deduct from each approved claim a handling fee of 10 percent of the amount of the claim and retain the fee in the general revenue fund [~~A handling fee may be deducted from the amount of the claim payment~~] if the approved claim [~~payment~~] is at least \$100.

(b) Subject to legislative appropriation, the comptroller may use the retained handling fees to pay the costs to process unclaimed property claims.

SECTION 10.02. This article takes effect September 1, 2011.

ARTICLE 11. TEXAS ETHICS COMMISSION

SECTION 11.01. Section 305.005(c), Government Code, is amended to read as follows:

(c) The registration fee and registration renewal fee are:

(1) an amount prescribed by the General Appropriations Act of not more than \$200 and not less than \$100 for a registrant employed by an organization exempt from federal income tax under Section 501(c)(3) or 501(c)(4), Internal Revenue Code of 1986;

(2) an amount prescribed by the General Appropriations Act of not more than \$100 and not less than \$50 for any person required to register solely because the person is required to register under Section 305.0041 [~~of this chapter~~]; or

(3) an amount prescribed by the General Appropriations Act of not more than \$1,000 and not less than \$500 for any other

1 registrant.

2 SECTION 11.02. This article takes effect September 1, 2011.

3 ARTICLE 12. FISCAL MATTERS REGARDING LEASING CERTAIN STATE
4 FACILITIES

5 SECTION 12.01. The heading to Section 2165.2035, Government
6 Code, is amended to read as follows:

7 Sec. 2165.2035. LEASE OF SPACE IN STATE-OWNED PARKING LOTS
8 AND GARAGES; USE AFTER HOURS.

9 SECTION 12.02. Subchapter E, Chapter 2165, Government Code,
10 is amended by adding Sections 2165.204, 2165.2045, and 2165.2046 to
11 read as follows:

12 Sec. 2165.204. LEASE OF SPACE IN STATE-OWNED PARKING LOTS
13 AND GARAGES; EXCESS INDIVIDUAL PARKING SPACES. (a) The commission
14 may lease to a private individual an individual parking space in a
15 state-owned parking lot or garage located in the city of Austin that
16 the commission determines is not needed to accommodate the regular
17 parking requirements of state employees who work near the lot or
18 garage and visitors to nearby state government offices.

19 (b) Money received from a lease under this section shall be
20 deposited to the credit of the general revenue fund.

21 Sec. 2165.2045. LEASE OF SPACE IN STATE-OWNED PARKING LOTS
22 AND GARAGES; EXCESS BLOCKS OF PARKING SPACE. (a) The commission
23 may lease to an institution of higher education or a local
24 government all or a significant block of a state-owned parking lot
25 or garage located in the city of Austin that the commission
26 determines is not needed to accommodate the regular parking
27 requirements of state employees who work near the lot or garage and

1 visitors to nearby state government offices.

2 (b) Money received from a lease under this section shall be
3 deposited to the credit of the general revenue fund.

4 Sec. 2165.2046. REPORTS ON PARKING PROGRAMS. On or before
5 October 1 of each even-numbered year, the commission shall submit a
6 report to the Legislative Budget Board describing the effectiveness
7 of parking programs developed by the commission under this
8 subchapter. The report must, at a minimum, include:

9 (1) the yearly revenue generated by the programs;

10 (2) the yearly administrative and enforcement costs of
11 each program;

12 (3) yearly usage statistics for each program; and

13 (4) initiatives and suggestions by the commission to:

14 (A) modify administration of the programs; and

15 (B) increase revenue generated by the programs.

16 SECTION 12.03. This article takes effect immediately if
17 this Act receives a vote of two-thirds of all the members elected to
18 each house, as provided by Section 39, Article III, Texas
19 Constitution. If this Act does not receive the vote necessary for
20 immediate effect, this article takes effect September 1, 2011.

21 ARTICLE 13. STATE DEBT

22 SECTION 13.01. Chapter 1231, Government Code, is amended by
23 adding Subchapter G to read as follows:

24 SUBCHAPTER G. LIMIT ON STATE DEBT PAYABLE FROM GENERAL REVENUE FUND

25 Sec. 1231.151. DEFINITIONS. In this subchapter:

26 (1) "Maximum annual debt service" means the limitation
27 on annual debt service imposed by Section 49-j(a), Article III,

1 Texas Constitution.

2 (2) "State debt payable from the general revenue fund"
3 has the meaning assigned by Section 49-j(b), Article III, Texas
4 Constitution.

5 (3) "Unissued debt" means state debt payable from the
6 general revenue fund that has been authorized but not issued.

7 Sec. 1231.152. COMPUTATION OF DEBT LIMIT. In computing the
8 annual debt service in a state fiscal year on state debt payable
9 from the general revenue fund for purposes of determining whether
10 additional state debt may be authorized without exceeding the
11 maximum annual debt service, the board may employ any assumptions
12 related to unissued debt that the board determines are necessary to
13 reflect common or standard debt issuance practices authorized by
14 law, including assumptions regarding:

15 (1) interest rates;

16 (2) debt maturity; and

17 (3) debt service payment structures.

18 Sec. 1231.153. REPORT ON COMPUTATION. (a) The board shall
19 publish during each state fiscal year a report providing a detailed
20 description of the method used to compute the annual debt service in
21 that fiscal year on state debt payable from the general revenue fund
22 for purposes of determining whether additional state debt may be
23 authorized. The report must describe:

24 (1) the debt service included in the computation,
25 including debt service on issued and unissued debt;

26 (2) the assumptions on which the debt service on
27 unissued debt was based; and

1 (3) any other factors required by law that affect the
2 computation.

3 (b) The board may publish the report required by this
4 section as a component of any other report required by law,
5 including the annual report required by Section 1231.102, or as an
6 independent report. The board shall make the report available to
7 the public.

8 SECTION 13.02. The Bond Review Board shall publish the
9 initial report required by Section 1231.153, Government Code, as
10 added by this article, during the state fiscal year beginning
11 September 1, 2011.

12 SECTION 13.03. This article takes effect immediately if
13 this Act receives a vote of two-thirds of all the members elected to
14 each house, as provided by Section 39, Article III, Texas
15 Constitution. If this Act does not receive the vote necessary for
16 immediate effect, this article takes effect September 1, 2011.

17 ARTICLE 14. ELECTRONIC PAYMENTS

18 SECTION 14.01. Section 403.016, Government Code, is amended
19 to read as follows:

20 Sec. 403.016. ELECTRONIC FUNDS TRANSFER AND ELECTRONIC PAY
21 CARDS. (a) The comptroller shall establish and operate an
22 electronic funds transfer system in accordance with this section.
23 The comptroller may use the services of financial institutions,
24 automated clearinghouses, and the federal government to establish
25 and operate the electronic funds transfer system. The comptroller
26 also shall establish and operate an efficient and effective system
27 of making payments by electronic pay card.

1 (b) The comptroller shall use either the electronic funds
2 transfer system or an electronic pay card to pay an employee's net
3 state salary and travel expense reimbursements [~~unless~~

4 [~~(1) the employee does not hold a classified position~~
5 ~~under the state's position classification plan and the employee's~~
6 ~~gross state salary is less than the gross state salary for a~~
7 ~~position classified to group 8, step 1, of the state position~~
8 ~~classification plan; or~~

9 [~~(2) the employee holds a classified position under~~
10 ~~the state's position classification plan that is classified below~~
11 ~~group 8].~~

12 (c) The comptroller shall use either the electronic funds
13 transfer system or an electronic pay card to make:

14 (1) payments [~~of more than \$100~~] to annuitants by the
15 Employees Retirement System of Texas or the Teacher Retirement
16 System of Texas under either system's administrative jurisdiction
17 and payments to annuitants of any other retirement system who are
18 paid from funds in the state treasury;

19 (2) recurring payments to municipalities, counties,
20 political subdivisions, special districts, and other governmental
21 entities of this state; and

22 (3) payments to vendors who choose to receive payment
23 through the electronic funds transfer system or an electronic pay
24 card rather than by warrant.

25 (d) If the comptroller is not required by this section to
26 use either the electronic funds transfer system or an electronic
27 pay card to pay a person, the comptroller may use the electronic

1 funds transfer system or an electronic pay card to pay the person on
2 the person's request.

3 (e)(1) [~~(f)(1)~~] Except as provided by Subdivisions (2) and
4 (4) and subject to any limitation in rules adopted by the
5 comptroller, an automated clearinghouse, or the federal
6 government, the comptroller may use the electronic funds transfer
7 system to deposit payments only to one or more accounts of a payee
8 at one or more financial institutions, including credit unions.

9 (2) The comptroller may also use the electronic funds
10 transfer system to deposit a portion of an employee's gross pay into
11 the employee's account at a credit union as prescribed by
12 Subchapter G, Chapter 659.

13 (3) A single electronic funds transfer may contain
14 payments to multiple payees. Individual transfers or warrants are
15 not required for each payee.

16 (4) The comptroller may also use the electronic funds
17 transfer system to deposit a portion of an employee's gross pay into
18 an account of an eligible state employee organization for a
19 membership as prescribed by Subchapter G, Chapter 659.

20 (f) [~~(g)~~] When a law requires the comptroller to make a
21 payment by warrant, the comptroller may instead make the payment
22 through the electronic funds transfer system or by electronic pay
23 card. The comptroller's use of the electronic funds transfer
24 system, an electronic pay card, or any other payment means does not
25 create a right that would not have been created if a warrant had
26 been issued.

27 (g) [~~(h)~~] ~~Notwithstanding any requirement in this section to~~

1 ~~make a payment through the electronic funds transfer system, the~~
2 ~~comptroller shall issue a warrant to pay a person if:~~

3 ~~[(1) the person properly notifies the comptroller~~
4 ~~that:~~

5 ~~[(A) receiving the payment by electronic funds~~
6 ~~transfer would be impractical to the person;~~

7 ~~[(B) receiving the payment by electronic funds~~
8 ~~transfer would be more costly to the person than receiving the~~
9 ~~payment by warrant;~~

10 ~~[(C) the person is unable to establish a~~
11 ~~qualifying account at a financial institution to receive electronic~~
12 ~~funds transfers; or~~

13 ~~[(D) the person chooses to receive the payment by~~
14 ~~warrant; or~~

15 ~~[(2) the state agency on whose behalf the comptroller~~
16 ~~makes the payment properly notifies the comptroller that:~~

17 ~~[(A) making the payment by electronic funds~~
18 ~~transfer would be impractical to the agency; or~~

19 ~~[(B) making the payment by electronic funds~~
20 ~~transfer would be more costly to the agency than making the payment~~
21 ~~by warrant.~~

22 ~~[(i)]~~ Notwithstanding any requirement in this section to
23 make a payment through the electronic funds transfer system or by
24 electronic pay card, the comptroller may make a payment by warrant
25 if the comptroller determines after conducting a cost analysis
26 that ~~+~~

27 ~~[(1) using the electronic funds transfer system would~~

1 ~~be impractical to the state, or~~

2 ~~[(2)]~~ the cost to the state of using the electronic
3 funds transfer or electronic pay card system would exceed the cost
4 of issuing a warrant. The comptroller shall submit to the
5 Legislative Budget Board the cost analysis supporting each
6 determination made by the comptroller under this subsection.

7 (h) [(j)] The comptroller shall adopt rules to administer
8 this section, including rules relating to allowing recipients of
9 state payments to choose at appropriate times between receiving
10 payment through the electronic funds transfer system, by electronic
11 pay card, or by warrant ~~[the notifications that may be provided to~~
12 ~~the comptroller under Subsection (h)]~~.

13 SECTION 14.02. Subchapter B, Chapter 403, Government Code,
14 is amended by adding Section 403.0161 to read as follows:

15 Sec. 403.0161. CONTRACTS FOR ELECTRONIC PAY CARD SERVICES.
16 The comptroller shall contract with one or more vendors for the
17 provision of electronic pay card services. A contract under this
18 section must be by competitive bid. The comptroller shall specify
19 the qualifications for bidders, which must include requirements
20 that the entity that issues the pay card must:

21 (1) be federally insured or possess sufficient
22 financial resources to ensure protection of payees; and

23 (2) demonstrate adequate 24-hour customer service to
24 ensure that all payees are able to reasonably access their funds
25 worldwide at any time.

26 SECTION 14.03. Section 659.084, Government Code, is amended
27 to read as follows:

1 Sec. 659.084. ELECTRONIC FUNDS TRANSFER. Salaries for
2 state officers and employees paid once a month shall be paid through
3 electronic funds transfer under Section 403.016 unless paid on an
4 electronic pay card [~~warrant~~] as permitted under that section.

5 SECTION 14.04. This article takes effect January 1, 2012.

6 ARTICLE 15. FISCAL MATTERS RELATING TO SECRETARY OF STATE

7 SECTION 15.01. Section 405.014, Government Code, is amended
8 to read as follows:

9 Sec. 405.014. ACTS OF THE LEGISLATURE. (a) At each session
10 of the legislature the secretary of state shall obtain the bills
11 that have become law. Immediately after the closing of each session
12 of the legislature, the secretary of state shall bind all enrolled
13 bills and resolutions in volumes on which the date of the session is
14 placed.

15 (b) As soon as practicable after the closing of each session
16 of the legislature, the secretary of state shall publish and
17 maintain electronically the bills enacted at that session. The
18 electronic publication must be:

19 (1) indexed by bill number and assigned chapter number
20 for each bill; and

21 (2) made available by an electronic link on the
22 secretary of state's generally accessible Internet website.

23 SECTION 15.02. Subchapter B, Chapter 2158, Government Code,
24 is repealed.

25 SECTION 15.03. The change in law made by this article does
26 not apply to a contract for the publication of the laws of this
27 state entered into before the effective date of this article.

1 SECTION 15.04. This article takes effect immediately if
2 this Act receives a vote of two-thirds of all the members elected to
3 each house, as provided by Section 39, Article III, Texas
4 Constitution. If this Act does not receive the vote necessary for
5 immediate effect, this article takes effect September 1, 2011.

6 ARTICLE 16. FISCAL MATTERS REGARDING ATTORNEY GENERAL

7 SECTION 16.01. Section 402.006, Government Code, is amended
8 by adding Subsection (d) to read as follows:

9 (d) The attorney general may charge a reasonable fee for the
10 electronic filing of a document.

11 SECTION 16.02. The heading to Section 402.0212, Government
12 Code, is amended to read as follows:

13 Sec. 402.0212. PROVISION OF LEGAL SERVICES--OUTSIDE
14 COUNSEL; FEES.

15 SECTION 16.03. Section 402.0212, Government Code, is
16 amended by amending Subsections (b) and (c) and adding Subsections
17 (d), (e), and (f) to read as follows:

18 (b) At the request of a party to a contract described by
19 Subsection (a), the attorney general shall review an invoice
20 submitted to a state agency under the contract to determine whether
21 the invoice is eligible for payment. The attorney general may
22 charge the party requesting the review a reasonable fee for the
23 review.

24 (c) The attorney general may, at the attorney general's
25 discretion, review an invoice submitted to a state agency under a
26 contract described by Subsection (a).

27 (d) For purposes of this section, the functions of a hearing

1 examiner, administrative law judge, or other quasi-judicial
2 officer are not considered legal services.

3 (e) Subsections (a) and (d) do [~~(c) This section shall~~]
4 not apply to the Texas Turnpike Authority division of the Texas
5 Department of Transportation.

6 (f) The attorney general may adopt rules as necessary to
7 implement and administer this section.

8 SECTION 16.04. Section 371.051, Transportation Code, is
9 amended to read as follows:

10 Sec. 371.051. ATTORNEY GENERAL REVIEW AND FEE. (a) A toll
11 project entity may not enter into a comprehensive development
12 agreement unless the attorney general reviews the proposed
13 agreement and determines that it is legally sufficient.

14 (b) The attorney general may charge a toll project entity a
15 reasonable fee for the review described in Subsection (a).

16 (c) If the toll project entity submits multiple proposed
17 comprehensive development agreements relating to the same toll
18 project for review, the entity shall pay the fee under Subsection
19 (b) for each proposed comprehensive development agreement.

20 (d) The toll project entity may collect or seek
21 reimbursement of the fee under Subsection (b) from the private
22 participant under the proposed comprehensive development
23 agreement.

24 (e) The attorney general may adopt rules necessary to
25 implement and administer this section.

26 SECTION 16.05. The fee prescribed by Section 402.006,
27 Government Code, as amended by this article, applies only to a

1 document electronically submitted to the office of the attorney
2 general on or after the effective date of this article.

3 SECTION 16.06. The fee prescribed by Section 402.0212,
4 Government Code, as amended by this article, applies only to
5 invoices for legal services submitted to the office of the attorney
6 general for review on or after the effective date of this article.

7 SECTION 16.07. The fee prescribed by Section 371.051,
8 Transportation Code, as amended by this article, applies only to a
9 comprehensive development agreement submitted to the office of the
10 attorney general on or after the effective date of this article.

11 SECTION 16.08. This article takes effect immediately if
12 this Act receives a vote of two-thirds of all the members elected to
13 each house, as provided by Section 39, Article III, Texas
14 Constitution. If this Act does not receive the vote necessary for
15 immediate effect, this article takes effect September 1, 2011.

16 ARTICLE 17. TEXAS PRESERVATION TRUST FUND ACCOUNT

17 SECTION 17.01. Sections 442.015(a), (b), and (f),
18 Government Code, are amended to read as follows:

19 (a) Notwithstanding Section [~~Sections 403.094 and~~] 403.095,
20 the Texas preservation trust fund account is a separate account in
21 the general revenue fund. The account consists of transfers made to
22 the account, loan repayments, grants and donations made for the
23 purposes of this program, proceeds of sales, income earned
24 [~~earnings~~] on money in the account, and any other money received
25 under this section. Money in [~~Distributions from~~] the account may
26 be used only for the purposes of this section and [~~may not be used~~]
27 to pay operating expenses of the commission. Money allocated to the

1 commission's historic preservation grant program shall be
2 deposited to the credit of the account. Income earned [~~Earnings~~] on
3 money in the account shall be deposited to the credit of the
4 account.

5 (b) The commission may use money in [~~distributions from~~] the
6 Texas preservation trust fund account to provide financial
7 assistance to public or private entities for the acquisition,
8 survey, restoration, or preservation, or for planning and
9 educational activities leading to the preservation, of historic
10 property in the state that is listed in the National Register of
11 Historic Places or designated as a State Archeological Landmark or
12 Recorded Texas Historic Landmark, or that the commission determines
13 is eligible for such listing or designation. The financial
14 assistance may be in the amount and form and according to the terms
15 that the commission by rule determines. The commission shall give
16 priority to property the commission determines to be endangered by
17 demolition, neglect, underuse, looting, vandalism, or other threat
18 to the property. Gifts and grants deposited to the credit of the
19 account specifically for any eligible projects may be used only for
20 the type of projects specified. If such a specification is not
21 made, the gift or grant shall be unencumbered and accrue to the
22 benefit of the Texas preservation trust fund account. If such a
23 specification is made, the entire amount of the gift or grant may be
24 used during any period for the project or type of project specified.

25 (f) The advisory board shall recommend to the commission
26 rules for administering this section [~~Subsections (a)-(e)~~].

27 SECTION 17.02. Sections 442.015(h), (i), (j), (k), and (l),

1 Government Code, are repealed.

2 SECTION 17.03. The comptroller and the Texas Historical
3 Commission shall enter into a memorandum of understanding to
4 facilitate the conversion of assets of the Texas preservation trust
5 fund account into cash for deposit into the state treasury using a
6 method that provides for the lowest amount of revenue loss to the
7 state.

8 SECTION 17.04. This article takes effect November 1, 2011.

9 ARTICLE 18. FISCAL MATTERS REGARDING OPERATION OF STATE CEMETERY

10 SECTION 18.01. Section 2165.256(a), Government Code, is
11 amended to read as follows:

12 (a) The State Cemetery Committee shall oversee all
13 operations of the State Cemetery. The committee shall develop a
14 budget for the operations of the State Preservation Board
15 [~~commission~~] relating to the State Cemetery and determine the
16 salary of employees of the State Preservation Board [~~commission~~]
17 whose duties primarily relate to the operation of the State
18 Cemetery.

19 SECTION 18.02. Sections 2165.2561(a), (k), (l), (p), (q),
20 (r), and (t), Government Code, are amended to read as follows:

21 (a) The State Cemetery Committee is composed of:

22 (1) three voting members appointed as follows:

23 (A) one member of the general public appointed by
24 the governor;

25 (B) one member of the general public appointed by
26 the governor from a list submitted by the lieutenant governor; and

27 (C) one member of the general public appointed by

1 the governor from a list submitted by the speaker of the house of
2 representatives; and

3 (2) three nonvoting advisory members appointed as
4 follows:

5 (A) one employee of the Texas Historical
6 Commission appointed by the executive director of the Texas
7 Historical Commission;

8 (B) one employee of the State Preservation Board
9 [~~Texas Building and Procurement Commission~~] appointed by the
10 executive director of the State Preservation Board [~~Texas Building~~
11 ~~and Procurement Commission~~]; and

12 (C) one employee of the Parks and Wildlife
13 Department appointed by the executive director of the Parks and
14 Wildlife Department.

15 (k) The legislature shall separately appropriate money to
16 the committee within the appropriations to the State Preservation
17 Board [~~Texas Building and Procurement Commission~~] for all matters
18 relating to the operation of the State Cemetery. Activities
19 relating to maintenance of the State Cemetery grounds and monuments
20 shall conform to guidelines for historic preservation submitted to
21 the committee by the Texas Historical Commission.

22 (l) Funds appropriated to the State Preservation Board
23 [~~Texas Building and Procurement Commission~~] may be transferred by
24 interagency contract for the performance of, at the direction of
25 the committee, an act related to the State Cemetery.

26 (p) If the executive director of the State Preservation
27 Board [~~commission~~] has knowledge that a potential ground for

1 removal exists, the executive director shall notify the presiding
2 officer of the committee of the potential ground. The presiding
3 officer shall then notify the governor and the attorney general
4 that a potential ground for removal exists. If the potential ground
5 for removal involves the presiding officer, the executive director
6 shall notify the next highest ranking officer of the committee, who
7 shall then notify the governor and the attorney general that a
8 potential ground for removal exists.

9 (q) The executive director of the State Preservation Board
10 [~~commission~~] or the executive director's designee shall provide to
11 members of the committee, as often as necessary, information
12 regarding the requirements for office under this chapter, including
13 information regarding a person's responsibilities under applicable
14 laws relating to standards of conduct for state officers.

15 (r) A person who is appointed to and qualifies for office as
16 a member of the committee may not vote, deliberate, or be counted as
17 a member in attendance at a meeting of the committee until the
18 person completes a training program that complies with this
19 subsection. The training program must provide the person with
20 information regarding:

21 (1) the legislation that created the State Cemetery
22 and the State Cemetery Committee;

23 (2) the programs operated by the committee;

24 (3) the role and functions of the committee;

25 (4) the rules of the committee, with an emphasis on any
26 rules that relate to disciplinary and investigatory authority;

27 (5) the current budget for the committee;

1 (6) the results of the most recent formal audit of
2 cemetery operations;

3 (7) the requirements of:

4 (A) the open meetings law, Chapter 551;

5 (B) the public information law, Chapter 552;

6 (C) the administrative procedure law, Chapter
7 2001; and

8 (D) other laws relating to public officials,
9 including conflict-of-interest laws; and

10 (8) any applicable ethics policies adopted by the
11 State Preservation Board [~~commission~~], the committee, or the Texas
12 Ethics Commission.

13 (t) The committee shall develop and implement policies that
14 clearly separate the policymaking responsibilities of the
15 committee and the management responsibilities of the executive
16 director of the State Preservation Board [~~commission~~] and staff of
17 the cemetery.

18 SECTION 18.03. (a) Not later than January 1, 2012, the
19 following are transferred from the Texas Facilities Commission to
20 the State Preservation Board:

21 (1) the powers, duties, functions, programs, and
22 activities of the Texas Facilities Commission relating to the
23 operation of the State Cemetery under Sections 2165.256 and
24 2165.2561, Government Code;

25 (2) any obligations and contracts of the Texas
26 Facilities Commission that are directly related to implementing a
27 power, duty, function, program, or activity transferred under this

1 subsection; and

2 (3) all property and records in the custody of the
3 Texas Facilities Commission that are related to a power, duty,
4 function, program, or activity transferred under this subsection
5 and all funds appropriated by the legislature for that power, duty,
6 function, program, or activity.

7 (b) The executive director of the State Preservation Board
8 and the executive director of the Texas Facilities Commission may
9 agree by memorandum of understanding to transfer to the State
10 Preservation Board any personnel of the Texas Facilities Commission
11 whose functions predominantly involve powers, duties, obligations,
12 functions, and activities related to the operation of the State
13 Cemetery under Sections 2165.256 and 2165.2561, Government Code.

14 (c) A reference in law to the Texas Facilities Commission
15 that relates to a power, duty, function, program, or activity
16 transferred under Subsection (a) of this section means the State
17 Preservation Board.

18 SECTION 18.04. The Texas Facilities Commission and the
19 State Preservation Board shall enter into a memorandum of
20 understanding that:

21 (1) identifies in detail the applicable powers and
22 duties that are transferred by this article; and

23 (2) establishes a plan for the identification and
24 transfer of the records, personnel, property, and unspent
25 appropriations of the Texas Facilities Commission that are used for
26 purposes of the commission's powers and duties directly related to
27 the operation of the State Cemetery under Sections 2165.256 and

1 2165.2561, Government Code.

2 ARTICLE 19. FISCAL MATTERS CONCERNING INFORMATION TECHNOLOGY

3 SECTION 19.01. Section 2054.380, Government Code, is
4 amended to read as follows:

5 Sec. 2054.380. FEES. (a) The department shall set and
6 charge a fee to each state agency that receives a service from a
7 statewide technology center in an amount sufficient to cover the
8 direct and indirect cost of providing the service.

9 (b) Revenue derived from the collection of fees imposed
10 under Subsection (a) may be appropriated to the department for:

11 (1) developing statewide information resources
12 technology policies; and

13 (2) providing shared information resources technology
14 services.

15 SECTION 19.02. Section 2157.068(d), Government Code, is
16 amended to read as follows:

17 (d) The department may charge a reasonable administrative
18 fee to a state agency, political subdivision of this state, or
19 governmental entity of another state that purchases commodity items
20 through the department in an amount that is sufficient to recover
21 costs associated with the administration of this section. Revenue
22 derived from the collection of fees imposed under this subsection
23 may be appropriated to the department for:

24 (1) developing statewide information resources
25 technology policies; and

26 (2) providing shared information resources technology
27 services.

1 SECTION 19.03. Section 2170.057(d), Government Code, is
2 amended to read as follows:

3 (d) The department shall maintain in the revolving fund
4 account sufficient amounts to pay the bills of the consolidated
5 telecommunications system and the centralized capitol complex
6 telephone system. The department shall certify amounts that exceed
7 this amount to the comptroller, and the comptroller shall transfer
8 the excess amounts to the credit of the general revenue fund. The
9 amounts transferred under this subsection may be appropriated to
10 the department for:

11 (1) developing statewide information resources
12 technology policies; and

13 (2) providing:

14 (A) shared information resources technology
15 services; and

16 (B) network security services under Chapter 2059
17 ~~[statewide network applications account established by Section~~
18 ~~2054.011].~~

19 SECTION 19.04. This article takes effect immediately if
20 this Act receives a vote of two-thirds of all the members elected to
21 each house, as provided by Section 39, Article III, Texas
22 Constitution. If this Act does not receive the vote necessary for
23 immediate effect, this article takes effect September 1, 2011.

24 ARTICLE 20. FISCAL MATTERS REGARDING REGULATION OF INSURERS

25 SECTION 20.01. Section 463.160, Insurance Code, is amended
26 to read as follows:

27 Sec. 463.160. PREMIUM TAX CREDIT FOR CLASS A ASSESSMENT.

1 The amount of a Class A assessment paid by a member insurer in each
2 taxable year shall be allowed as a credit on the amount of premium
3 taxes due [~~in the same manner as a credit is allowed under Section~~
4 ~~401.151(e)~~].

5 SECTION 20.02. Sections 221.006, 222.007, 223.009,
6 401.151(e), and 401.154, Insurance Code, are repealed.

7 SECTION 20.03. This article takes effect immediately if
8 this Act receives a vote of two-thirds of all the members elected to
9 each house, as provided by Section 39, Article III, Texas
10 Constitution. If this Act does not receive the vote necessary for
11 immediate effect, this article takes effect September 1, 2011.

12 ARTICLE 21. FISCAL MATTERS REGARDING HEALTH CARE DELIVERY

13 SECTION 21.01. Subtitle A, Title 2, Insurance Code, is
14 amended by adding Chapter 41 to read as follows:

15 CHAPTER 41. HEALTH CARE PAYMENT AND DELIVERY SYSTEM REFORM

16 SUBCHAPTER A. HEALTH CARE PAYMENT AND DELIVERY SYSTEM REFORM

17 COMMITTEE

18 Sec. 41.001. DEFINITION. In this chapter, "committee"
19 means the Health Care Payment and Delivery System Reform Committee.

20 Sec. 41.002. ESTABLISHMENT; PURPOSE; ADMINISTRATIVE
21 SUPPORT. (a) The Health Care Payment and Delivery System Reform
22 Committee is established to identify priority outcomes for cost
23 containment and quality improvement in health benefit coverage and
24 health care services in this state.

25 (b) The committee is administratively attached to the
26 department. The department shall provide administrative support
27 and resources to the committee as necessary for the committee to

1 perform its duties.

2 Sec. 41.003. COMPOSITION OF COMMITTEE. The committee is
3 composed of:

4 (1) the following voting members:

5 (A) a representative of the Health and Human
6 Services Commission, appointed by the executive commissioner of the
7 Health and Human Services Commission;

8 (B) a representative of the Employees Retirement
9 System of Texas, appointed by the executive director of the system;

10 (C) two representatives of the Teacher
11 Retirement System of Texas, appointed by the executive director of
12 the system:

13 (i) one of whom has specialized knowledge
14 of basic plans under Chapter 1575; and

15 (ii) one of whom has specialized knowledge
16 of the catastrophic care coverage plan and the primary care
17 coverage plan under Chapter 1579;

18 (D) a representative of The Texas A&M University
19 System, appointed by the governing board of the system; and

20 (E) a representative of The University of Texas
21 System, appointed by the governing board of the system; and

22 (2) the following nonvoting members:

23 (A) a representative of the speaker of the house
24 of representatives, appointed by the speaker;

25 (B) a representative of the office of the
26 lieutenant governor, appointed by the lieutenant governor;

27 (C) a representative of the House Public Health

1 Committee or its successor, appointed by the chair of the
2 committee; and

3 (D) a representative of the Senate Health and
4 Human Services Committee or its successor, appointed by the chair
5 of the committee.

6 Sec. 41.004. TERMS; REMOVAL. (a) Voting members of the
7 committee serve staggered two-year terms, with the terms of three
8 members expiring on February 1 of each year. The members shall draw
9 lots at the first committee meeting to determine the length of each
10 member's initial term and which members' terms expire each year.

11 (b) The terms of the nonvoting members of the committee
12 expire February 1 of each even-numbered year.

13 (c) A member of the committee may be removed by the
14 commissioner with cause stated in writing. The appropriate person
15 or entity shall appoint in the manner provided by Section 41.003 a
16 replacement for a member who leaves or is removed from the
17 committee.

18 Sec. 41.005. DUTIES. The committee shall:

19 (1) develop a plan to identify priority outcomes for
20 cost containment and quality improvement in health insurance and
21 health care services in this state;

22 (2) coordinate initiatives for reform of health care
23 payment and delivery systems among state health payors;

24 (3) review pilot program proposals submitted to the
25 committee under Section 41.051(a) and recommend to the commissioner
26 for approval pilot programs the committee determines to be
27 consistent with purposes described by Section 41.002;

1 (4) review funding proposals submitted to the
2 committee under Section 41.051(b) and recommend to the commissioner
3 pilot programs the committee determines to be eligible for funding
4 under the rules adopted by the commissioner under Section 41.053;
5 and

6 (5) determine outcomes to be measured in evaluating
7 the effectiveness of each program approved by the commissioner
8 under Section 41.052.

9 Sec. 41.006. SUBMISSION AND POSTING OF PRIORITY OUTCOME
10 PLAN. Not later than September 1 of each even-numbered year, the
11 committee shall:

12 (1) update the priority outcome plan developed under
13 Section 41.005(1) as necessary;

14 (2) submit the priority outcome plan to:

15 (A) the governor; and

16 (B) the Legislative Budget Board; and

17 (3) make the priority outcome plan available to the
18 public on the Internet website maintained by the department.

19 Sec. 41.007. EXPIRATION OF CHAPTER. This chapter expires
20 September 1, 2021.

21 [Sections 41.008-41.050 reserved for expansion]

22 SUBCHAPTER B. HEALTH CARE PAYMENT AND DELIVERY SYSTEM REFORM PILOT
23 PROGRAMS

24 Sec. 41.051. PROPOSAL OF PILOT PROGRAMS BY PROVIDERS OF
25 HEALTH CARE SERVICES. (a) An individual or entity that provides
26 health care services in this state may submit to the committee a
27 proposal for a pilot program to design and implement a new health

1 care payment or delivery system.

2 (b) An individual or entity that submits a pilot program
3 proposal under Subsection (a) may submit to the committee an
4 application for funding for the pilot program. An application may
5 be submitted under this subsection:

6 (1) in conjunction with a pilot program proposal; or

7 (2) after a pilot program proposal is approved by the
8 commissioner under Section 41.052.

9 Sec. 41.052. APPROVAL BY COMMISSIONER; PILOT PROGRAM
10 PROPOSAL AND FUNDING. (a) On recommendation of the committee, the
11 commissioner may approve:

12 (1) a pilot program proposal submitted to the
13 committee under Section 41.051(a), if the commissioner finds that
14 the pilot program:

15 (A) adequately protects the interests of
16 patients and consumers; and

17 (B) may demonstrate improved economy and
18 efficiency for health care payment or delivery; or

19 (2) an application for funding for a pilot program
20 submitted to the committee under Section 41.051(b).

21 (b) The commissioner may approve an application under
22 Subsection (a)(2) only to the extent that sufficient appropriations
23 have been received by the department to fund the proposed pilot
24 program.

25 Sec. 41.053. RULES. The commissioner shall adopt rules
26 necessary to implement this subchapter, including rules that
27 establish a procedure through which a pilot program proposal or an

1 application for funding for a pilot program may be submitted to, and
2 approved by, the commissioner.

3 SECTION 21.02. Chapter 162, Occupations Code, is amended by
4 adding Subchapter F to read as follows:

5 SUBCHAPTER F. PARTICIPATION IN PILOT PROGRAM TO PROMOTE HEALTH
6 CARE PAYMENT AND DELIVERY SYSTEM REFORM

7 Sec. 162.301. EMPLOYMENT OF PHYSICIANS. (a) A person,
8 including a partnership, trust, association, or corporation,
9 operating a pilot program approved by the Health Care Payment and
10 Delivery System Reform Committee under Chapter 41, Insurance Code,
11 may employ a physician:

12 (1) for the purposes of the pilot program; and
13 (2) for the duration of the pilot program, as
14 approved.

15 (b) A person that employs a physician under this section
16 does not violate Section 164.052(a)(13) or (17) or 165.156, or any
17 other law that prohibits the practice of medicine by a person other
18 than a physician, to the extent that the physician is performing
19 services for the purpose of the pilot program.

20 (c) This section does not authorize a person to supervise or
21 control the practice of medicine or permit the unauthorized
22 practice of medicine as prohibited by this subtitle.

23 Sec. 162.302. EXPIRATION OF SUBCHAPTER. This subchapter
24 expires September 1, 2021.

25 SECTION 21.03. Notwithstanding Section 41.006, Insurance
26 Code, as added by this article, not later than February 1, 2012, the
27 Health Care Payment and Delivery System Reform Committee shall

1 develop the first plan required by Section 41.005(1), Insurance
2 Code, as added by this article, submit the plan to the governor and
3 Legislative Budget Board, and make the plan available to the public
4 on the Texas Department of Insurance's Internet website.

5 SECTION 21.04. This article takes effect September 1, 2011.

6 ARTICLE 22. FISCAL MATTERS RELATED TO PUBLIC EDUCATION

7 SECTION 22.01. Notwithstanding any other law, during the
8 2011-2012 and 2012-2013 school years, a school district may reduce
9 the minimum number of days of service for educators employed under a
10 contract for either of those school years and reduce the salary of
11 those educators by an amount corresponding to the reduction in the
12 number of days of service.

13 SECTION 22.02. Section 25.112(a), Education Code, is
14 amended to read as follows:

15 (a) Except as otherwise authorized by this section, a school
16 district may not enroll more than a district-wide average of 21
17 ~~[22]~~ students in ~~[a]~~ kindergarten, first, second, third, and ~~[or]~~
18 fourth grade classes ~~[class]~~. That limitation does not apply
19 during:

20 (1) any 12-week period of the school year selected by
21 the district, in the case of a district whose average daily
22 attendance is adjusted under Section 42.005(c); or

23 (2) the last 12 weeks of any school year in the case of
24 any other district.

25 SECTION 22.03. (a) Sections 21.402(a) and (b), Education
26 Code, are amended to read as follows:

27 (a) Except as provided by Subsection ~~[(d)]~~ (e) ~~[7]~~ or (f), a

1 school district must pay each classroom teacher, full-time
 2 librarian, full-time counselor certified under Subchapter B, or
 3 full-time school nurse not less than the minimum monthly salary~~[~~
 4 ~~based on the employee's level of experience in addition to other~~
 5 ~~factors, as determined by commissioner rule,~~] determined as
 6 provided by Subsection (b). ~~[the following formula:~~

$$7 \qquad \qquad \qquad [\text{MS} = \text{SF} \times \text{FS}]$$

8 ~~[where:~~

9 ~~["MS" is the minimum monthly salary;~~

10 ~~["SF" is the applicable salary factor specified by Subsection~~
 11 ~~(c); and~~

12 ~~["FS" is the amount, as determined by the commissioner under~~
 13 ~~Subsection (b), of state and local funds per weighted student,~~
 14 ~~including funds provided under Section 42.2516, available to a~~
 15 ~~district eligible to receive state assistance under Section 42.302~~
 16 ~~with a maintenance and operations tax rate per \$100 of taxable value~~
 17 ~~equal to the product of the state compression percentage, as~~
 18 ~~determined under Section 42.2516, multiplied by \$1.50, except that~~
 19 ~~the amount of state and local funds per weighted student does not~~
 20 ~~include the amount attributable to the increase in the guaranteed~~
 21 ~~level made by Chapter 1187, Acts of the 77th Legislature, Regular~~
 22 ~~Session, 2001.]~~

23 (b) The commissioner shall adopt rules to establish a method
 24 for annually setting a salary schedule for classroom teachers,
 25 full-time librarians, full-time counselors certified under
 26 Subchapter B, and full-time school nurses based on the employee's
 27 level of experience. The commissioner's method may provide a

1 salary level for each year of experience from 0 years through 20
2 years. Not later than June 1 of each year, the commissioner shall
3 determine, based on the salary schedule, the minimum monthly salary
4 for each classroom teacher, full-time librarian, full-time
5 counselor certified under Subchapter B, and full-time nurse [~~the~~
6 ~~amount of state and local funds per weighted student available, for~~
7 ~~purposes of Subsection (a), to a district described by that~~
8 ~~subsection]~~ for the following school year.

9 (b) This section applies beginning with the 2012-2013
10 school year.

11 SECTION 22.04. (a) Section 21.403(a), Education Code, is
12 amended to read as follows:

13 (a) A teacher, librarian, counselor, or nurse shall advance
14 one level [~~step~~] on the minimum salary schedule established by
15 commissioner rule under Section 21.402 for each year of experience
16 as a teacher, librarian, counselor, or nurse until level [~~step~~] 20
17 is reached.

18 (b) This section applies beginning with the 2012-2013
19 school year.

20 SECTION 22.05. (a) Section 42.2516, Education Code, is
21 amended by adding Subsection (e-1) to read as follows:

22 (e-1) The amount of state aid or credit to which a school
23 district is entitled under Section 42.2518 is in addition to the
24 amount of revenue to which the district is entitled under
25 Subsection (b).

26 (b) This section applies beginning with the 2012-2013
27 school year.

1 SECTION 22.06. (a) Subchapter E, Chapter 42, Education
2 Code, is amended by adding Section 42.2518 to read as follows:

3 Sec. 42.2518. ADDITIONAL STATE AID OR CREDIT AGAINST COST
4 OF ATTENDANCE CREDITS FOR PROFESSIONAL STAFF SALARIES. (a) For
5 each school year, a school district, including a school district
6 that is otherwise ineligible for state aid under this chapter, is
7 entitled to state aid in an amount, as determined by the
8 commissioner, equal to the difference between the district's salary
9 cost under Section 21.402, as amended by __.B. __, Acts of the 82nd
10 Legislature, Regular Session, 2011, for all classroom teachers,
11 full-time librarians, full-time counselors certified under
12 Subchapter B, Chapter 21, and full-time school nurses employed by
13 the district and an amount equal to what the district's salary costs
14 would have been for that school year under Section 21.402, as it
15 existed before amendment by __.B. __, Acts of the 82nd
16 Legislature, Regular Session, 2011.

17 (b) A school district that is required to take action under
18 Chapter 41 to reduce its wealth per student to the equalized wealth
19 level is entitled to a credit, in the amount of state aid to which
20 the district is entitled under this section, against the total
21 amount required under Section 41.093 for the district to purchase
22 attendance credits.

23 (c) A determination by the commissioner under this section
24 is final and may not be appealed.

25 (d) The commissioner may adopt rules to implement this
26 section.

27 (b) This section applies beginning with the 2012-2013

1 school year.

2 SECTION 22.07. Effective September 1, 2011, Sections
3 21.402(c) and (d), Education Code, are repealed.

4 SECTION 22.08. Not later than January 1, 2012, the
5 commissioner of education shall adopt rules to establish a method
6 for annually setting a salary schedule as provided by Section
7 21.402(b), Education Code, as amended by this article.

8 SECTION 22.09. Except as otherwise provided by this
9 article, this article applies beginning with the 2011-2012 school
10 year.

11 SECTION 22.10. This article takes effect immediately if
12 this Act receives a vote of two-thirds of all the members elected to
13 each house, as provided by Section 39, Article III, Texas
14 Constitution. If this Act does not receive the vote necessary for
15 immediate effect, this article takes effect September 1, 2011.

16 ARTICLE 23. HEALTH AND HUMAN SERVICES BENEFITS IN GENERAL

17 SECTION 23.01. Subchapter B, Chapter 531, Government Code,
18 is amended by adding Section 531.0998 to read as follows:

19 Sec. 531.0998. MEMORANDUM OF UNDERSTANDING REGARDING
20 PUBLIC ASSISTANCE REPORTING INFORMATION SYSTEM. (a) In this
21 section, "system" means the Public Assistance Reporting
22 Information System (PARIS) operated by the Administration for
23 Children and Families of the United States Department of Health and
24 Human Services.

25 (b) The commission, the Department of Aging and Disability
26 Services, the Texas Veterans Commission, and the Veterans' Land
27 Board shall enter into a memorandum of understanding for the

1 purposes of:

2 (1) coordinating and collecting information about the
3 use and analysis among state agencies of data received from the
4 system; and

5 (2) developing new strategies for state agencies to
6 use system data in ways that generate fiscal savings for the state.

7 (c) Not later than October 15, 2012, the commission, the
8 Department of Aging and Disability Services, the Texas Veterans
9 Commission, and the Veterans' Land Board collectively shall submit
10 to the governor and the Legislative Budget Board a report
11 describing:

12 (1) the frequency and success with which state
13 agencies have used the system;

14 (2) the costs to the state that were avoided as a
15 result of state agencies' use of the system; and

16 (3) recommendations for future use of the system by
17 state agencies.

18 (d) Subsection (c) and this subsection expire September 2,
19 2013.

20 SECTION 23.02. Not later than December 1, 2011, the Health
21 and Human Services Commission, the Department of Aging and
22 Disability Services, the Texas Veterans Commission, and the
23 Veterans' Land Board shall enter into a memorandum of understanding
24 as required by Section 531.0998, Government Code, as added by this
25 article.

ARTICLE 24. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES AND
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAMS

SECTION 24.01. Section 31.0325, Human Resources Code, is repealed.

SECTION 24.02. On the effective date of this Act, the Health and Human Services Commission and each health and human services agency, as defined by Section 531.001, Government Code, shall discontinue using electronic fingerprint-imaging or photo-imaging of applicants for and recipients of financial assistance under Chapter 31, Human Resources Code, or food stamp benefits under Chapter 33, Human Resources Code.

ARTICLE 25. MEDICAID PROGRAM

SECTION 25.01. (a) Section 531.001, Government Code, is amended by adding Subdivision (7) to read as follows:

(7) "Telemonitoring" means the use of telecommunications and information technology to provide access to health assessment, intervention, consultation, supervision, and information across distance. Telemonitoring includes the use of technologies such as telephones, facsimile machines, e-mail systems, text messaging systems, and remote patient monitoring devices to collect and transmit patient data for monitoring and interpretation.

(b) Subchapter B, Chapter 531, Government Code, is amended by adding Sections 531.02176, 531.02177, and 531.02178 to read as follows:

Sec. 531.02176. MEDICAID TELEMONITORING PILOT PROGRAMS FOR DIABETES. (a) The commission shall determine whether the Medicaid

1 Enhanced Care program's diabetes self-management training
2 telemonitoring pilot program was cost neutral.

3 (b) In determining whether the pilot program described by
4 Subsection (a) was cost neutral, the commission shall, at a
5 minimum, compare:

6 (1) the health care costs of program participants who
7 received telemonitoring services with the health care costs of a
8 group of Medicaid recipients who did not receive telemonitoring
9 services;

10 (2) the health care services used by program
11 participants who received telemonitoring services with the health
12 care services used by a group of Medicaid recipients who did not
13 receive telemonitoring services;

14 (3) for program participants who received
15 telemonitoring services, the amount spent on health care services
16 before, during, and after the receipt of telemonitoring services;
17 and

18 (4) for program participants who received
19 telemonitoring services, the health care services used before,
20 during, and after the receipt of telemonitoring services.

21 (c) If the commission determines that the pilot program
22 described by Subsection (a) was cost neutral, the executive
23 commissioner shall adopt rules for providing telemonitoring
24 services through the Medicaid Texas Health Management Program for
25 select diabetes patients in a manner comparable to that program.

26 (d) If the commission determines that the pilot program
27 described by Subsection (a) was not cost neutral, the commission

1 shall develop and implement within the Medicaid Texas Health
2 Management Program for select diabetes patients a new diabetes
3 telemonitoring pilot program based on evidence-based best
4 practices, provided that the commission determines implementing
5 the new diabetes telemonitoring pilot program would be cost
6 neutral.

7 (e) In determining whether implementing a new diabetes
8 telemonitoring pilot program under Subsection (d) would be cost
9 neutral, the commission shall consider appropriate factors,
10 including the following:

11 (1) the target population, participant eligibility
12 criteria, and the number of participants to whom telemonitoring
13 services would be provided;

14 (2) the type of telemonitoring technology to be used;

15 (3) the estimated cost of the telemonitoring services
16 to be provided;

17 (4) the estimated cost differential to the state based
18 on changes in participants' use of emergency department services,
19 outpatient services, pharmaceutical and ancillary services, and
20 inpatient services other than inpatient labor and delivery
21 services; and

22 (5) other indirect costs that may result from the
23 provision of telemonitoring services.

24 Sec. 531.02177. MEDICAID TELEMONITORING PILOT PROGRAM FOR
25 CERTAIN CONDITIONS. (a) The commission shall develop and
26 implement a pilot program within the Medicaid Texas Health
27 Management Program to evaluate the cost neutrality of providing

1 telemonitoring services to persons who are diagnosed with health
2 conditions other than diabetes, if the commission determines
3 implementing the pilot program would be cost neutral.

4 (b) In determining whether implementing a pilot program
5 under Subsection (a) would be cost neutral, the commission shall
6 consider appropriate factors, including the following:

7 (1) the types of health conditions that could be
8 assessed through the program by reviewing existing research and
9 other evidence on the effectiveness of providing telemonitoring
10 services to persons with those conditions;

11 (2) the target population, participant eligibility
12 criteria, and the number of participants to whom telemonitoring
13 services would be provided;

14 (3) the type of telemonitoring technology to be used;

15 (4) the estimated cost of the telemonitoring services
16 to be provided;

17 (5) the estimated cost differential to the state based
18 on changes in participants' use of emergency department services,
19 outpatient services, pharmaceutical and ancillary services, and
20 inpatient services other than inpatient labor and delivery
21 services; and

22 (6) other indirect costs that may result from the
23 provision of telemonitoring services.

24 Sec. 531.02178. DISSEMINATION OF INFORMATION ABOUT
25 EFFECTIVE TELEMONITORING STRATEGIES. The commission shall
26 annually:

27 (1) identify telemonitoring strategies implemented

1 within the Medicaid program that have demonstrated cost neutrality
2 or resulted in improved performance on key health measures; and
3 (2) disseminate information about the identified
4 strategies to encourage the adoption of effective telemonitoring
5 strategies.

6 (c) Not later than January 1, 2012, the executive
7 commissioner of the Health and Human Services Commission shall
8 adopt the rules required by Section 531.02176(c), Government Code,
9 as added by this section, if the commission determines that the
10 Medicaid Enhanced Care program's diabetes self-management training
11 telemonitoring pilot program was cost neutral.

12 (d) Not later than September 1, 2012, the Health and Human
13 Services Commission shall determine whether implementing a new
14 diabetes telemonitoring pilot program would be cost neutral if
15 required by Section 531.02176(d), Government Code, as added by this
16 section, and report that determination to the governor and the
17 Legislative Budget Board.

18 (e) Not later than September 1, 2012, the Health and Human
19 Services Commission shall determine whether implementing a
20 telemonitoring pilot program for health conditions other than
21 diabetes would be cost neutral as required by Section 531.02177(a),
22 Government Code, as added by this section, and report that
23 determination to the governor and the Legislative Budget Board.

24 SECTION 25.02. Subchapter B, Chapter 531, Government Code,
25 is amended by adding Sections 531.02417 and 531.024171 to read as
26 follows:

27 Sec. 531.02417. MEDICAID NURSING SERVICES ASSESSMENTS. (a)

1 In this section, "acute nursing services" means home health skilled
2 nursing services, home health aide services, and private duty
3 nursing services.

4 (b) The commission shall develop an objective assessment
5 process for use in assessing the needs of a Medicaid recipient for
6 acute nursing services. The commission shall require that:

7 (1) the assessment be conducted by a state employee or
8 contractor who is not the person who will deliver any necessary
9 services to the recipient and is not affiliated with the person who
10 will deliver those services; and

11 (2) the process include:

12 (A) an assessment of specified criteria and
13 documentation of the assessment results on a standard form; and

14 (B) completion by the person conducting the
15 assessment of any documents related to obtaining prior
16 authorization for necessary nursing services.

17 (c) The commission shall:

18 (1) implement the objective assessment process
19 developed under Subsection (b) within the Medicaid fee-for-service
20 model and the primary care case management Medicaid managed care
21 model; and

22 (2) take necessary actions, including modifying
23 contracts with managed care organizations under Chapter 533 to the
24 extent allowed by law, to implement the process within the STAR and
25 STAR+PLUS Medicaid managed care programs.

26 Sec. 531.024171. THERAPY SERVICES ASSESSMENTS. (a) In
27 this section, "therapy services" includes occupational, physical,

1 and speech therapy services.

2 (b) After implementing the objective assessment process for
3 acute nursing services as required by Section 531.02417, the
4 commission shall consider whether implementing a comparable
5 process with respect to assessing the needs of a Medicaid recipient
6 for therapy services would be feasible and beneficial.

7 (c) If the commission determines that implementing a
8 comparable process with respect to one or more types of therapy
9 services is feasible and would be beneficial, the commission may
10 implement the process within:

- 11 (1) the Medicaid fee-for-service model;
12 (2) the primary care case management Medicaid managed
13 care model; and
14 (3) the STAR and STAR+PLUS Medicaid managed care
15 programs.

16 SECTION 25.03. Subchapter B, Chapter 531, Government Code,
17 is amended by adding Sections 531.086 and 531.0861 to read as
18 follows:

19 Sec. 531.086. STUDY REGARDING PHYSICIAN INCENTIVE PROGRAMS
20 TO REDUCE HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS.

21 (a) The commission shall conduct a study to evaluate physician
22 incentive programs that attempt to reduce hospital emergency room
23 use for non-emergent conditions by recipients under the medical
24 assistance program. Each physician incentive program evaluated in
25 the study must:

- 26 (1) be administered by a health maintenance
27 organization participating in the STAR or STAR + PLUS Medicaid

1 managed care program; and

2 (2) provide incentives to primary care providers who
3 attempt to reduce emergency room use for non-emergent conditions by
4 recipients.

5 (b) The study conducted under Subsection (a) must evaluate:

6 (1) the cost-effectiveness of each component included
7 in a physician incentive program; and

8 (2) any change in statute required to implement each
9 component within the Medicaid fee-for-service or primary care case
10 management model.

11 (c) Not later than August 31, 2012, the executive
12 commissioner shall submit to the governor and the Legislative
13 Budget Board a report summarizing the findings of the study
14 required by this section.

15 (d) This section expires September 1, 2013.

16 Sec. 531.0861. PHYSICIAN INCENTIVE PROGRAM TO REDUCE
17 HOSPITAL EMERGENCY ROOM USE FOR NON-EMERGENT CONDITIONS. (a) The
18 executive commissioner by rule shall establish a physician
19 incentive program designed to reduce the use of hospital emergency
20 room services for non-emergent conditions by recipients under the
21 medical assistance program.

22 (b) In establishing the physician incentive program under
23 Subsection (a), the executive commissioner may include only the
24 program components identified as cost-effective in the study
25 conducted under Section 531.086.

26 (c) If the physician incentive program includes the payment
27 of an enhanced reimbursement rate for routine after-hours

1 appointments, the executive commissioner shall implement controls
2 to ensure that the after-hours services billed are actually being
3 provided outside of normal business hours.

4 ARTICLE 26. FEDERAL AUTHORIZATION REGARDING HEALTH AND HUMAN
5 SERVICES PROGRAMS

6 SECTION 26.01. If before implementing any provision of
7 Article 23, 24, or 25 of this Act a state agency determines that a
8 waiver or authorization from a federal agency is necessary for
9 implementation of that provision, the agency affected by the
10 provision shall request the waiver or authorization and may delay
11 implementing that provision until the waiver or authorization is
12 granted.

13 ARTICLE 27. FISCAL MATTERS CONCERNING RETIRED TEACHERS

14 SECTION 27.01. Section 825.404(a), Government Code, is
15 amended to read as follows:

16 (a) During each fiscal year, the state shall contribute to
17 the retirement system an amount equal to at least six and not more
18 than 10 percent of the aggregate annual compensation of all members
19 of the retirement system during that fiscal year. [~~The amount of~~
20 ~~the state contribution made under this section may not be less than~~
21 ~~the amount contributed by members during that fiscal year in~~
22 ~~accordance with Section 825.402.~~]

23 SECTION 27.02. Section 1575.202(a), Insurance Code, is
24 amended to read as follows:

25 (a) Each state fiscal year, the state shall contribute to
26 the fund an amount equal to 0.5 [~~one~~] percent of the salary of each
27 active employee.

1 SECTION 27.03. The changes in law made by this article apply
2 beginning with the state fiscal year that begins September 1, 2011.

3 ARTICLE 28. FISCAL MATTERS CONCERNING STATE REVENUE FOR SCHOOL
4 DISTRICTS

5 SECTION 28.01. Section 42.2516, Education Code, is amended
6 by amending Subsection (b) and adding Subsection (b-2) to read as
7 follows:

8 (b) Notwithstanding any other provision of this title, but
9 subject to the limit imposed by Subsection (b-2), a school district
10 that imposes a maintenance and operations tax at a rate at least
11 equal to the product of the state compression percentage multiplied
12 by the maintenance and operations tax rate adopted by the district
13 for the 2005 tax year is entitled to at least the amount of state
14 revenue necessary to provide the district with the sum of:

15 (1) as calculated under Subsection (e), the amount of
16 state and local revenue per student in weighted average daily
17 attendance for maintenance and operations that the district would
18 have received during the 2009-2010 school year under Chapter 41 and
19 this chapter, as those chapters existed on January 1, 2009, at a
20 maintenance and operations tax rate equal to the product of the
21 state compression percentage for that year multiplied by the
22 maintenance and operations tax rate adopted by the district for the
23 2005 tax year;

24 (2) an amount equal to the product of \$120 multiplied
25 by the number of students in weighted average daily attendance in
26 the district;

27 (3) an amount equal to the amount the district is

1 required to pay into the tax increment fund for a reinvestment zone
2 under Section 311.013(n), Tax Code, in the current tax year; and

3 (4) any amount to which the district is entitled under
4 Section 42.106.

5 (b-2) Notwithstanding any other provision of this section,
6 the amount of state revenue to which a school district is entitled
7 under Subsection (b) may not exceed the amount necessary to result
8 in a total amount of state and local revenue per student in weighted
9 average daily attendance of \$8,000.

10 ARTICLE 29. FISCAL MATTERS CONCERNING ADVANCED PLACEMENT

11 SECTION 29.01. Section 28.053(h), Education Code, is
12 amended to read as follows:

13 (h) The commissioner may enter into agreements with the
14 college board and the International Baccalaureate Organization to
15 pay for all examinations taken by eligible public school students.
16 An eligible student is a student [~~one~~] who:

17 (1) takes a college advanced placement or
18 international baccalaureate course at a public school or who is
19 recommended by the student's principal or teacher to take the test;
20 and

21 (2) demonstrates financial need as determined in
22 accordance with guidelines adopted by the board that are consistent
23 with the definition of financial need adopted by the college board
24 or the International Baccalaureate Organization.

25 ARTICLE 30. FISCAL MATTERS CONCERNING EARLY HIGH SCHOOL GRADUATION

26 SECTION 30.01. Subchapter K, Chapter 56, Education Code, is
27 amended by adding Section 56.2012 to read as follows:

1 Sec. 56.2012. EXPIRATION OF SUBCHAPTER; ELIGIBILITY
2 CLOSED. (a) This subchapter expires September 1, 2017.

3 (b) Notwithstanding Section 56.203, a person may not
4 receive an award under this subchapter if the person graduates from
5 high school on or after September 1, 2011.

6 SECTION 30.02. Section 54.213(b), Education Code, is
7 amended to read as follows:

8 (b) [~~Savings to the foundation school fund that occur as a~~
9 ~~result of the Early High School Graduation Scholarship program~~
10 ~~created in Subchapter K, Chapter 56, and that are not required for~~
11 ~~the funding of state credits for tuition and mandatory fees under~~
12 ~~Section 56.204 or school district credits under Section 56.2075~~
13 ~~shall be used first to provide tuition exemptions under Section~~
14 ~~54.212. Any of those savings remaining after providing tuition~~
15 ~~exemptions under Section 54.212 shall be used to provide tuition~~
16 ~~exemptions under Section 54.214.] The Texas Education Agency shall~~

17 ~~[also]~~ accept and make available to provide tuition exemptions
18 under Section 54.214 gifts, grants, and donations made to the
19 agency for that purpose. The commissioner of education shall
20 transfer those funds to the Texas Higher Education Coordinating
21 Board to distribute to institutions of higher education that
22 provide exemptions under that section. [~~Payment of funds under~~
23 ~~this subsection shall be made in the manner provided by Section~~
24 ~~56.207 for state credits under Subchapter K, Chapter 56.]~~

25 SECTION 30.03. Section 56.210, Education Code, is repealed.

26 ARTICLE 31. FISCAL MATTERS CONCERNING TUITION EXEMPTIONS

27 SECTION 31.01. Section 54.214(c), Education Code, is

1 amended to read as follows:

2 (c) To be eligible for an exemption under this section, a
3 person must:

4 (1) be a resident of this state;

5 (2) be a school employee serving in any capacity;

6 (3) for the initial term or semester for which the
7 person receives an exemption under this section, have worked as an
8 educational aide for at least one school year during the five years
9 preceding that term or semester;

10 (4) establish financial need as determined by
11 coordinating board rule;

12 (5) be enrolled at the institution of higher education
13 granting the exemption in courses required for teacher
14 certification in one or more subject areas determined by the Texas
15 Education Agency to be experiencing a critical shortage of teachers
16 at the public schools in this state [~~at the institution of higher~~
17 ~~education granting the exemption~~];

18 (6) maintain an acceptable grade point average as
19 determined by coordinating board rule; and

20 (7) comply with any other requirements adopted by the
21 coordinating board under this section.

22 SECTION 31.02. The change in law made by this article
23 applies beginning with tuition and fees charged for the 2011 fall
24 semester. Tuition and fees charged for a term or semester before
25 the 2011 fall semester are covered by the law in effect during the
26 term or semester for which the tuition and fees are charged, and the
27 former law is continued in effect for that purpose.

1 ARTICLE 32. FISCAL MATTERS CONCERNING DUAL HIGH SCHOOL AND JUNIOR
2 COLLEGE CREDIT

3 SECTION 32.01. Section 130.008(c), Education Code, is
4 amended to read as follows:

5 (c) The contact hours attributable to the enrollment of a
6 high school student in a course offered for joint high school and
7 junior college credit under this section, excluding a course for
8 which the student attending high school may receive course credit
9 toward the physical education curriculum requirement under Section
10 28.002(a)(2)(C), shall be included in the contact hours used to
11 determine the junior college's proportionate share of the state
12 money appropriated and distributed to public junior colleges under
13 Sections 130.003 and 130.0031, even if the junior college waives
14 all or part of the tuition or fees for the student under Subsection
15 (b).

16 SECTION 32.02. This article applies beginning with funding
17 for the 2011 fall semester.

18 ARTICLE 33. EFFECTIVE DATE

19 SECTION 33.01. Except as otherwise provided by this Act,
20 this Act takes effect September 1, 2011.