

# SENATE AMENDMENTS

2<sup>nd</sup> Printing

By: Coleman

H.B. No. 4180

A BILL TO BE ENTITLED

AN ACT

relating to issues affecting counties and certain other governmental entities and residents.

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

SECTION 1. Subchapter A, Chapter 264, Health and Safety Code, is amended by adding Section 264.004 to read as follows:

Sec. 264.004. DISSOLUTION. (a) The commissioners court of a county by order may dissolve an authority created by the commissioners court if the commissioners court and the authority provide for the sale or transfer of the authority's assets and liabilities to the county.

(b) The dissolution of an authority and the sale or transfer of the authority's assets and liabilities may not:

(1) violate a trust indenture or bond resolution relating to the outstanding bonds of the authority; or

(2) diminish or impair the rights of the holders of outstanding bonds, warrants, or other obligations of the authority.

(c) An order dissolving an authority takes effect on the 31st day after the date the commissioners court adopts the order.

(d) All records of the authority remaining when the authority is dissolved shall be transferred to the county clerk of the county in which the authority is located.

SECTION 2. Subtitle D, Title 4, Health and Safety Code, is amended by adding Chapter 291A to read as follows:

CHAPTER 291A. COUNTY HEALTH CARE PROVIDER PARTICIPATION  
PROGRAM IN CERTAIN COUNTIES BORDERING OR INCLUDING THE SAM RAYBURN  
RESERVOIR

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 291A.001. DEFINITIONS. In this chapter:

(1) "Institutional health care provider" means a  
nonpublic hospital that provides inpatient hospital services.

(2) "Paying hospital" means an institutional health  
care provider required to make a mandatory payment under this  
chapter.

(3) "Program" means the county health care provider  
participation program authorized by this chapter.

Sec. 291A.002. APPLICABILITY. This chapter applies only to  
a county that:

(1) is not served by a hospital district or a public  
hospital;

(2) has a population of more than 75,000; and

(3) borders or includes a portion of the Sam Rayburn  
Reservoir.

Sec. 291A.003. COUNTY HEALTH CARE PROVIDER PARTICIPATION  
PROGRAM; PARTICIPATION IN PROGRAM. (a) A county health care  
provider participation program authorizes a county to collect a  
mandatory payment from each institutional health care provider  
located in the county to be deposited in a local provider  
participation fund established by the county. Money in the fund may  
be used by the county to fund certain intergovernmental transfers  
and indigent care programs as provided by this chapter.



1        (b) The commissioners court of a county may adopt an order  
2 authorizing a county to participate in the program, subject to the  
3 limitations provided by this chapter.

4        SUBCHAPTER B. POWERS AND DUTIES OF COMMISSIONERS COURT

5        Sec. 291A.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY  
6 PAYMENT. The commissioners court of a county may require a  
7 mandatory payment authorized under this chapter by an institutional  
8 health care provider in the county only in the manner provided by  
9 this chapter.

10       Sec. 291A.052. MAJORITY VOTE REQUIRED. The commissioners  
11 court of a county may not authorize the county to collect a  
12 mandatory payment authorized under this chapter without an  
13 affirmative vote of a majority of the members of the commissioners  
14 court.

15       Sec. 291A.053. RULES AND PROCEDURES. After the  
16 commissioners court of a county has voted to require a mandatory  
17 payment authorized under this chapter, the commissioners court may  
18 adopt rules relating to the administration of the mandatory  
19 payment.

20       Sec. 291A.054. INSTITUTIONAL HEALTH CARE PROVIDER  
21 REPORTING; INSPECTION OF RECORDS. (a) The commissioners court of a  
22 county that collects a mandatory payment authorized under this  
23 chapter shall require each institutional health care provider to  
24 submit to the county a copy of any financial and utilization data  
25 required by and reported to the Department of State Health Services  
26 under Sections 311.032 and 311.033 and any rules adopted by the  
27 executive commissioner of the Health and Human Services Commission

1 to implement those sections.

2 (b) The commissioners court of a county that collects a  
3 mandatory payment authorized under this chapter may inspect the  
4 records of an institutional health care provider to the extent  
5 necessary to ensure compliance with the requirements of Subsection  
6 (a).

7 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

8 Sec. 291A.101. HEARING. (a) Each year, the commissioners  
9 court of a county that collects a mandatory payment authorized  
10 under this chapter shall hold a public hearing on the amounts of any  
11 mandatory payments that the commissioners court intends to require  
12 during the year and how the revenue derived from those payments is  
13 to be spent.

14 (b) Not later than the 10th day before the date of the  
15 hearing required under Subsection (a), the commissioners court of  
16 the county shall publish notice of the hearing in a newspaper of  
17 general circulation in the county.

18 (c) A representative of a paying hospital is entitled to  
19 appear at the time and place designated in the public notice and to  
20 be heard regarding any matter related to the mandatory payments  
21 authorized under this chapter.

22 Sec. 291A.102. DEPOSITORY. (a) The commissioners court of  
23 each county that collects a mandatory payment authorized under this  
24 chapter by resolution shall designate one or more banks located in  
25 the county as the depository for mandatory payments received by the  
26 county. A bank designated as a depository serves for two years or  
27 until a successor is designated.

1       (b) All income received by a county under this chapter,  
2 including the revenue from mandatory payments remaining after  
3 discounts and fees for assessing and collecting the payments are  
4 deducted, shall be deposited with the county depository in the  
5 county's local provider participation fund and may be withdrawn  
6 only as provided by this chapter.

7       (c) All funds under this chapter shall be secured in the  
8 manner provided for securing county funds.

9       Sec. 291A.103. LOCAL PROVIDER PARTICIPATION FUND;  
10 AUTHORIZED USES OF MONEY. (a) Each county that collects a  
11 mandatory payment authorized under this chapter shall create a  
12 local provider participation fund.

13       (b) The local provider participation fund of a county  
14 consists of:

15               (1) all revenue received by the county attributable to  
16 mandatory payments authorized under this chapter, including any  
17 penalties and interest attributable to delinquent payments;

18               (2) money received from the Health and Human Services  
19 Commission as a refund of an intergovernmental transfer from the  
20 county to the state for the purpose of providing the nonfederal  
21 share of Medicaid supplemental payment program payments, provided  
22 that the intergovernmental transfer does not receive a federal  
23 matching payment; and

24               (3) the earnings of the fund.

25       (c) Money deposited to the local provider participation  
26 fund may be used only to:

27               (1) fund intergovernmental transfers from the county

1 to the state to provide the nonfederal share of a Medicaid  
2 supplemental payment program authorized under the state Medicaid  
3 plan, including through the Medicaid managed care program, under  
4 the Texas Healthcare Transformation and Quality Improvement  
5 Program waiver issued under Section 1115 of the federal Social  
6 Security Act (42 U.S.C. Section 1315), or under a successor waiver  
7 program authorizing similar Medicaid supplemental payment  
8 programs;

9 (2) subsidize indigent programs;

10 (3) pay the administrative expenses of the county  
11 solely for activities under this chapter;

12 (4) refund a portion of a mandatory payment collected  
13 in error from a paying hospital; and

14 (5) refund to paying hospitals the proportionate share  
15 of money received by the county from the Health and Human Services  
16 Commission that is not used to fund the nonfederal share of Medicaid  
17 supplemental payment program payments.

18 (d) Money in the local provider participation fund may not  
19 be commingled with other county funds.

20 (e) An intergovernmental transfer of funds described by  
21 Subsection (c)(1) and any funds received by the county as a result  
22 of an intergovernmental transfer described by that subsection may  
23 not be used by the county or any other entity to expand Medicaid  
24 eligibility under the Patient Protection and Affordable Care Act  
25 (Pub. L. No. 111-148) as amended by the Health Care and Education  
26 Reconciliation Act of 2010 (Pub. L. No. 111-152).

SUBCHAPTER D. MANDATORY PAYMENTS

Sec. 291A.151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL NET PATIENT REVENUE. (a) Except as provided by Subsection (e), the commissioners court of a county that collects a mandatory payment authorized under this chapter may require an annual mandatory payment to be assessed on the net patient revenue of each institutional health care provider located in the county. The commissioners court may provide for the mandatory payment to be assessed quarterly. In the first year in which the mandatory payment is required, the mandatory payment is assessed on the net patient revenue of an institutional health care provider as determined by the data reported to the Department of State Health Services under Sections 311.032 and 311.033 in the fiscal year ending in 2015 or, if the institutional health care provider did not report any data under those sections in that fiscal year, as determined by the institutional health care provider's Medicare cost report submitted for the 2015 fiscal year or for the closest subsequent fiscal year for which the provider submitted the Medicare cost report. The county shall update the amount of the mandatory payment on an annual basis.

(b) The amount of a mandatory payment authorized under this chapter must be uniformly proportionate with the amount of net patient revenue generated by each paying hospital in the county. A mandatory payment authorized under this chapter may not hold harmless any institutional health care provider, as required under 42 U.S.C. Section 1396b(w).

(c) The commissioners court of a county that collects a

mandatory payment authorized under this chapter shall set the amount of the mandatory payment. The amount of the mandatory payment required of each paying hospital may not exceed an amount that, when added to the amount of the mandatory payments required from all other paying hospitals in the county, equals an amount of revenue that exceeds six percent of the aggregate net patient revenue of all paying hospitals in the county.

(d) Subject to the maximum amount prescribed by Subsection (c), the commissioners court of a county that collects a mandatory payment authorized under this chapter shall set the mandatory payments in amounts that in the aggregate will generate sufficient revenue to cover the administrative expenses of the county for activities under this chapter, to fund the nonfederal share of a Medicaid supplemental payment program as described by Section 291A.103(c)(1), and to pay for indigent programs, except that the amount of revenue from mandatory payments used for administrative expenses of the county for activities under this chapter in a year may not exceed the lesser of four percent of the total revenue generated from the mandatory payment or \$20,000.

(e) A paying hospital may not add a mandatory payment required under this section as a surcharge to a patient.

Sec. 291A.152. ASSESSMENT AND COLLECTION OF MANDATORY PAYMENTS. The county may collect or contract for the assessment and collection of mandatory payments authorized under this chapter.

Sec. 291A.153. INTEREST, PENALTIES, AND DISCOUNTS. Interest, penalties, and discounts on mandatory payments required under this chapter are governed by the law applicable to county ad

1 valorem taxes.

2 Sec. 291A.154. PURPOSE; CORRECTION OF INVALID PROVISION OR  
3 PROCEDURE. (a) The purpose of this chapter is to generate revenue  
4 by collecting from institutional health care providers a mandatory  
5 payment to be used to provide the nonfederal share of a Medicaid  
6 supplemental payment program.

7 (b) To the extent any provision or procedure under this  
8 chapter causes a mandatory payment authorized under this chapter to  
9 be ineligible for federal matching funds, the county may provide by  
10 rule for an alternative provision or procedure that conforms to the  
11 requirements of the federal Centers for Medicare and Medicaid  
12 Services.

13 SECTION 3. Subchapter C, Chapter 775, Health and Safety  
14 Code, is amended by adding Section 775.0341 to read as follows:

15 Sec. 775.0341. APPOINTMENT OF BOARD IN CERTAIN DISTRICTS  
16 LOCATED IN MORE THAN ONE COUNTY. (a) This section applies only to a  
17 district that was authorized to have a board of emergency services  
18 commissioners appointed under former Section 776.0345 and that is  
19 located:

20 (1) partly in a county with a population of less than  
21 22,000; and

22 (2) partly in a county with a population of more than  
23 54,000.

24 (b) A five-member board of emergency services commissioners  
25 appointed under this section serves as the district's governing  
26 body. A commissioner serves a two-year term.

27 (c) The commissioners court of the smallest county in which

1 the district is located shall appoint two commissioners to the  
2 board. The commissioners court of the largest county in which the  
3 district is located shall appoint three commissioners to the board.

4 (d) To be eligible for appointment as an emergency services  
5 commissioner under this section, a person must be at least 18 years  
6 of age and reside in the district. Two commissioners must reside in  
7 the smallest county in which the district is located, and three  
8 commissioners must reside in the largest county in which the  
9 district is located.

10 (e) On January 1 of each year, a commissioners court shall  
11 appoint a successor for each emergency services commissioner  
12 appointed by that commissioners court whose term has expired.

13 (f) The appropriate commissioners court shall fill a  
14 vacancy on the board for the remainder of the unexpired term.

15 SECTION 4. Section 775.035, Health and Safety Code, is  
16 amended by adding Subsection (j) to read as follows:

17 (j) This section does not apply to a district described by  
18 Section 775.0341.

19 SECTION 5. Section 775.036, Health and Safety Code, is  
20 amended by adding Subsection (a-1) to read as follows:

21 (a-1) Notwithstanding Subsection (a)(1), the board for a  
22 district located wholly in a county with a population of 75,000 or  
23 less may by resolution determine to hold the board's regular  
24 meetings less frequently than prescribed by that subsection. The  
25 resolution must require the board to meet either quarterly or every  
26 other month. The board shall meet as required by the resolution.

27 SECTION 6. Subchapter Z, Chapter 271, Local Government



Code, is amended by adding Section 271.909 to read as follows:

Sec. 271.909. PURCHASES: DEVICES THAT UTILIZE ELECTRONIC CAPTURE. As it relates to purchases by local governmental entities and notwithstanding any provision under Texas law, devices that utilize electronic capture to produce a physical record shall be considered interchangeable with devices that utilize electronic capture to produce an electronic record.

SECTION 7. Section 81.001(b), Local Government Code, is amended to read as follows:

(b) If present, the county judge is the presiding officer of the commissioners court. This subsection does not apply to a meeting held under Section 551.127, Government Code, if the county judge is not located at the physical space made available to the public for the meeting.

SECTION 8. (a) All governmental acts and proceedings of an emergency services district to which former Section 776.0345, Health and Safety Code, applied before that section was repealed and that relate to the selection of emergency services commissioners of the district and that were taken between January 1, 2012, and the effective date of this Act are validated, ratified, and confirmed in all respects as if they had been taken as authorized by law.

(b) This section does not apply to any matter that on the effective date of this Act:

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or

1           (2) has been held invalid by a final court judgment.

2           SECTION 9. Section 250.006(b), Local Government Code, is  
3 repealed.

4           SECTION 10. If before implementing any provision of Chapter  
5 291A, Health and Safety Code, as added by this Act, a state agency  
6 determines that a waiver or authorization from a federal agency is  
7 necessary for implementation of that provision, the agency affected  
8 by the provision shall request the waiver or authorization and may  
9 delay implementing that provision until the waiver or authorization  
10 is granted.

11          SECTION 11. This Act takes effect immediately if it  
12 receives a vote of two-thirds of all the members elected to each  
13 house, as provided by Section 39, Article III, Texas Constitution.  
14 If this Act does not receive the vote necessary for immediate  
15 effect, this Act takes effect September 1, 2017.

Coleman/  
By: L. W. Killebrew

H.B. No. 4180

Substitute the following for H.B. No. 4180:

By: ADOPTED

C.S.H.B. No. 4180

MAY 24 2017

*Atty. Gen.*  
Secretary of the Senate

A BILL TO BE ENTITLED

AN ACT

1

2 relating to the creation, operations, functions, and regulatory  
3 authority of certain governmental entities and officials; changes  
4 in certain judicial procedures; imposing civil penalties.

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

6 SECTION 1. Effective September 1, 2017, Section 1, Article  
7 55.02, Code of Criminal Procedure, is amended to read as follows:

8 Sec. 1. At the request of the acquitted person [~~defendant~~]  
9 and after notice to the state, or at the request of the attorney for  
10 the state, the trial court presiding over the case in which the  
11 person [~~defendant~~] was acquitted, if the trial court is a district  
12 court, or a district court in the county in which the trial court is  
13 located shall enter an order of expunction for a person entitled to  
14 expunction under Article 55.01(a)(1)(A) not later than the 30th day  
15 after the date of the acquittal. On [~~Upon~~] acquittal, the trial  
16 court shall advise the acquitted person [~~defendant~~] of the right to  
17 expunction. The party requesting the order of expunction  
18 [~~defendant~~] shall provide to the district court all of the  
19 information required in a petition for expunction under Section  
20 2(b). The attorney for the acquitted person [~~defendant~~] in the case  
21 in which the person [~~defendant~~] was acquitted, if the person  
22 [~~defendant~~] was represented by counsel, or the attorney for the  
23 state, if the person [~~defendant~~] was not represented by counsel or  
24 if the attorney for the state requested the order of expunction,

1 shall prepare the order for the court's signature.

2 SECTION 2. Effective September 1, 2017, Article 102.006,  
3 Code of Criminal Procedure, is amended by adding Subsection (c) to  
4 read as follows:

5 (c) A court that grants a petition for expunction of a  
6 criminal record may order that any fee, or portion of a fee,  
7 required to be paid under this article or other law in relation to  
8 the petition be returned to the petitioner.

9 SECTION 3. Effective September 1, 2017, Section 53.001,  
10 Government Code, is amended by adding Subsection (k) to read as  
11 follows:

12 (k) The judges of the 5th, 102nd, and 202nd district courts  
13 and the judges of the county courts at law of Bowie County shall  
14 appoint one or more bailiffs to serve the courts in Bowie County.

15 SECTION 4. Effective September 1, 2017, Section 53.007(a),  
16 Government Code, is amended to read as follows:

17 (a) This section applies to:

18 (1) the 34th, 70th, 71st, 86th, 97th, 130th, 142nd,  
19 161st, 238th, 318th, 341st, 355th, and 385th district courts;

20 (2) the County Court of Harrison County;

21 (3) the criminal district courts of Tarrant County;

22 (4) the district courts in Taylor County;

23 (5) the courts described in Section 53.002(c), (d),  
24 (e), or (f);

25 (6) the county courts at law of Taylor County;

26 (7) the district courts in Tarrant County that give  
27 preference to criminal cases; ~~and~~

1           (8) the 115th District Court in Upshur County; and  
2           (9) the 5th, 102nd, and 202nd district courts and the  
3 county courts at law of Bowie County.

4           SECTION 5. Effective September 1, 2017, Section 53.0071,  
5 Government Code, is amended to read as follows:

6           Sec. 53.0071. BAILIFF AS PEACE OFFICER. Unless the  
7 appointing judge provides otherwise in the order of appointment, a  
8 bailiff appointed under Section 53.001(b), ~~[or]~~ (g), or (k) or  
9 53.002(c), (e), or (f) is a "peace officer" for purposes of Article  
10 2.12, Code of Criminal Procedure.

11          SECTION 6. Effective September 1, 2017, Section 54.653,  
12 Government Code, is amended to read as follows:

13          Sec. 54.653. COMPENSATION. (a) A full-time magistrate is  
14 entitled to the salary determined by the Commissioners Court of  
15 Tarrant County.

16          (b) The salary of a full-time magistrate may not exceed 90  
17 percent of the sum of:

18               (1) ~~[be less than]~~ the salary ~~[authorized to be]~~ paid  
19 to a district judge by the state under Section 659.012; and

20               (2) the maximum amount of county contributions and  
21 supplements allowed by law to be paid to a district judge under  
22 Section 659.012 ~~[master for family law cases appointed under~~  
23 ~~Subchapter A]~~.

24          (c) The salary of a part-time magistrate is equal to the  
25 per-hour salary of a full-time magistrate. The per-hour salary is  
26 determined by dividing the annual salary by a 2,080 work-hour year.  
27 The judges of the courts trying criminal cases in Tarrant County

1 shall approve the number of hours for which a part-time magistrate  
2 is to be paid.

3       (d) A ~~[The]~~ magistrate's salary is paid from the county fund  
4 available for payment of officers' salaries.

5       SECTION 7. Effective September 1, 2017, Section 54.656(a),  
6 Government Code, is amended to read as follows:

7       (a) A judge may refer to a magistrate any criminal case or  
8 matter relating to a criminal case for proceedings involving:

9               (1) a negotiated plea of guilty or no contest and  
10 sentencing before the court;

11              (2) a bond forfeiture, remittitur, and related  
12 proceedings;

13              (3) a pretrial motion;

14              (4) a ~~[postconviction]~~ writ of habeas corpus;

15              (5) an examining trial;

16              (6) an occupational driver's license;

17              (7) a petition for an ~~[agreed]~~ order of expunction  
18 under Chapter 55, Code of Criminal Procedure;

19              (8) an asset forfeiture hearing as provided by Chapter  
20 59, Code of Criminal Procedure;

21              (9) a petition for an ~~[agreed]~~ order of nondisclosure  
22 of criminal history record information or an order of nondisclosure  
23 of criminal history record information that does not require a  
24 petition provided by Subchapter E-1, Chapter 411;

25              (10) a ~~[hearing on a]~~ motion to modify or revoke  
26 community supervision or to proceed with an adjudication of guilt  
27 ~~[probation]; [and]~~

- 1           (11) setting conditions, modifying, revoking, and  
2 surrendering of bonds, including surety bonds;  
3           (12) specialty court proceedings;  
4           (13) a waiver of extradition; and  
5           (14) any other matter the judge considers necessary  
6 and proper.

7           SECTION 8. Effective September 1, 2017, Section 54.658,  
8 Government Code, is amended to read as follows:

9           Sec. 54.658. POWERS. (a) Except as limited by an order of  
10 referral, a magistrate to whom a case is referred may:

- 11           (1) conduct hearings;  
12           (2) hear evidence;  
13           (3) compel production of relevant evidence;  
14           (4) rule on admissibility of evidence;  
15           (5) issue summons for the appearance of witnesses;  
16           (6) examine witnesses;  
17           (7) swear witnesses for hearings;  
18           (8) make findings of fact on evidence;  
19           (9) formulate conclusions of law;  
20           (10) rule on a pretrial motion;  
21           (11) recommend the rulings, orders, or judgment to be  
22 made in a case;  
23           (12) regulate proceedings in a hearing;  
24           (13) accept a plea of guilty from a defendant charged  
25 with misdemeanor, felony, or both misdemeanor and felony offenses;  
26           (14) select a jury;  
27           (15) accept a negotiated plea on a probation

1 revocation;

2 (16) conduct a contested probation revocation  
3 hearing;

4 (17) sign a dismissal in a misdemeanor case; ~~and~~

5 (18) in any case referred under Section 54.656(a)(1),  
6 accept a negotiated plea of guilty or no contest and:

7 (A) enter a finding of guilt and impose or  
8 suspend the sentence; or

9 (B) defer adjudication of guilt; and

10 (19) do any act and take any measure necessary and  
11 proper for the efficient performance of the duties required by the  
12 order of referral.

13 (b) A magistrate may sign a motion to dismiss submitted by  
14 an attorney representing the state on cases referred to the  
15 magistrate, or on dockets called by the magistrate, and may  
16 consider unadjudicated cases at sentencing under Section 12.45,  
17 Penal Code.

18 (c) A magistrate has all of the powers of a magistrate under  
19 the laws of this state and may administer an oath for any purpose.

20 (d) A magistrate does not have authority under Article  
21 18.01(c), Code of Criminal Procedure, to issue a subsequent search  
22 warrant under Article 18.02(a)(10), Code of Criminal Procedure.

23 SECTION 9. The heading to Section 313.006, Government Code,  
24 is amended to read as follows:

25 Sec. 313.006. NOTICE FOR LAWS ESTABLISHING OR ADDING  
26 TERRITORY TO MUNICIPAL MANAGEMENT DISTRICTS.

27 SECTION 10. Section 313.006, Government Code, is amended by



1 amending Subsections (a), (b), and (d) and adding Subsections (e)  
2 and (f) to read as follows:

3 (a) In addition to the other requirements of this chapter, a  
4 person, other than a member of the legislature, who intends to apply  
5 for the passage of a law establishing or adding territory to a  
6 special district that incorporates a power from Chapter 375, Local  
7 Government Code, must provide notice as provided by this section.

8 (b) The person shall notify by mail each person who owns  
9 real property [~~in the~~] proposed to be included in a new district or  
10 to be added to an existing district, according to the most recent  
11 certified tax appraisal roll for the county in which the real  
12 property is owned. The notice, properly addressed with postage  
13 paid, must be deposited with the United States Postal Service not  
14 later than the 30th day before the date on which the intended law is  
15 introduced in the legislature.

16 (d) The person is not required to mail notice under  
17 Subsection (b) or (e) to a person who owns real property in the  
18 proposed district or in the area proposed to be added to a district  
19 if the property cannot be subject to an assessment by the district.

20 (e) After the introduction of a law in the legislature  
21 establishing or adding territory to a special district that  
22 incorporates a power from Chapter 375, Local Government Code, the  
23 person shall mail to each person who owns real property proposed to  
24 be included in a new district or to be added to an existing district  
25 a notice that the legislation has been introduced, including the  
26 applicable bill number. The notice, properly addressed with  
27 postage paid, must be deposited with the United States Postal

1 Service not later than the 30th day after the date on which the  
2 intended law is introduced in the legislature. If the person has  
3 not mailed the notice required under this subsection on the 31st day  
4 after the date on which the intended law is introduced in the  
5 legislature, the person may cure the deficiency by immediately  
6 mailing the notice, but the person shall in no event mail the notice  
7 later than the date on which the intended law is reported out of  
8 committee in the chamber other than the chamber in which the  
9 intended law was introduced. If similar bills are filed in both  
10 chambers of the legislature, a person is only required to provide a  
11 single notice under this subsection not later than the 30th day  
12 after the date the first of the bills is filed.

13 (f) A landowner may waive any notice required under this  
14 section at any time.

15 SECTION 11. Effective September 1, 2017, Subchapter B,  
16 Chapter 403, Government Code, is amended by adding Sections  
17 403.0241 and 403.0242 to read as follows:

18 Sec. 403.0241. SPECIAL PURPOSE DISTRICT PUBLIC INFORMATION  
19 DATABASE. (a) In this section:

20 (1) "Special purpose district" means a political  
21 subdivision of this state with geographic boundaries that define  
22 the subdivision's territorial jurisdiction. The term does not  
23 include a municipality, county, junior college district,  
24 independent school district, or political subdivision with  
25 statewide jurisdiction.

26 (2) "Tax year" has the meaning assigned by Section  
27 1.04, Tax Code.

1        (b) The comptroller shall create and make accessible on the  
2 Internet a database, to be known as the Special Purpose District  
3 Public Information Database, that contains information regarding  
4 all special purpose districts of this state that:  
5            (1) are authorized by the state by a general or special  
6 law to impose an ad valorem tax or a sales and use tax, to impose an  
7 assessment, or to charge a fee; and  
8            (2) during the most recent fiscal year:  
9                    (A) had bonds outstanding;  
10                   (B) had gross receipts from operations, loans,  
11 taxes, or contributions in excess of \$250,000; or  
12                   (C) had cash and temporary investments in excess  
13 of \$250,000.  
14        (c) For each special purpose district described by  
15 Subsection (b), the database must include:  
16            (1) the name of the special purpose district;  
17            (2) the name of each board member of the special  
18 purpose district;  
19            (3) contact information for the main office of the  
20 special purpose district, including the physical address, the  
21 mailing address, and the main telephone number;  
22            (4) if the special purpose district employs a person  
23 as a general manager or executive director, or in another position  
24 to perform duties or functions comparable to those of a general  
25 manager or executive director, the name of the employee;  
26            (5) if the special purpose district contracts with a  
27 utility operator, contact information for a person representing the

1 utility operator, including a mailing address and a telephone  
2 number;

3 (6) if the special purpose district contracts with a  
4 tax assessor-collector, contact information for a person  
5 representing the tax assessor-collector, including a mailing  
6 address and telephone number;

7 (7) the special purpose district's Internet website  
8 address, if any;

9 (8) the information the special purpose district is  
10 required to report under Section 140.008(b) or (g), Local  
11 Government Code, including any revenue obligations;

12 (9) the total amount of bonds authorized by the voters  
13 of the special purpose district that are payable wholly or partly  
14 from ad valorem taxes, excluding refunding bonds if refunding bonds  
15 were separately authorized and excluding contract revenue bonds;

16 (10) the aggregate initial principal amount of all  
17 bonds issued by the special purpose district that are payable  
18 wholly or partly from ad valorem taxes, excluding refunding bonds  
19 and contract revenue bonds;

20 (11) the rate of any sales and use tax the special  
21 purpose district imposes; and

22 (12) for a special purpose district that imposes an ad  
23 valorem tax:

24 (A) the ad valorem tax rate for the most recent  
25 tax year if the district is a district as defined by Section 49.001,  
26 Water Code; or

27 (B) the table of ad valorem tax rates for the most

1 recent tax year described by Section 26.16, Tax Code, in the form  
2 required by that section, if the district is not a district as  
3 defined by Section 49.001, Water Code.

4 (d) The comptroller may consult with the appropriate  
5 officer of, or other person representing, each special purpose  
6 district to obtain the information necessary to operate and update  
7 the database.

8 (e) To the extent information required in the database is  
9 otherwise collected or maintained by a state agency or special  
10 purpose district, the comptroller may require the state agency or  
11 special purpose district to provide that information and updates to  
12 the information as necessary for inclusion in the database.

13 (f) The comptroller shall update information in the  
14 database annually.

15 (g) The comptroller may not charge a fee to the public to  
16 access the database.

17 (h) The comptroller may establish procedures and adopt  
18 rules to implement this section.

19 Sec. 403.0242. SPECIAL PURPOSE DISTRICT NONCOMPLIANCE  
20 LIST. The comptroller shall prepare and maintain a noncompliance  
21 list of special purpose districts that have not timely complied  
22 with a requirement to provide information under Section 203.062,  
23 Local Government Code.

24 SECTION 12. Effective September 1, 2017, Subchapter E-1,  
25 Chapter 411, Government Code, is amended by adding Section 411.0746  
26 to read as follows:

27 Sec. 411.0746. RETURN OF FEES. A court that issues an order

1 of nondisclosure of criminal history record information under this  
2 subchapter may order that any fee, or portion of a fee, required to  
3 be paid under this subchapter or other law in relation to the order  
4 be returned to the person who is the subject of that order.

5 SECTION 13. Effective September 1, 2017, Section  
6 659.012(a), Government Code, is amended to read as follows:

7 (a) Notwithstanding Section 659.011:

8 (1) a judge of a district court is entitled to an  
9 annual salary from the state of at least \$125,000, except that the  
10 combined salary of a district judge from state and county sources,  
11 not including compensation for any extrajudicial services  
12 performed on behalf of the county, may not exceed the amount that is  
13 \$5,000 less than the salary provided for a justice of a court of  
14 appeals other than a chief justice;

15 (2) a justice of a court of appeals other than the  
16 chief justice is entitled to an annual salary from the state that is  
17 equal to 110 percent of the salary of a district judge, except that  
18 the combined salary of a justice of the court of appeals other than  
19 the chief justice from all state and county sources, not including  
20 compensation for any extrajudicial services performed on behalf of  
21 the county, may not exceed the amount that is \$5,000 less than the  
22 salary provided for a justice of the supreme court;

23 (3) a justice of the supreme court other than the chief  
24 justice or a judge of the court of criminal appeals other than the  
25 presiding judge is entitled to an annual salary from the state that  
26 is equal to 120 percent of the salary of a district judge; and

27 (4) the chief justice or presiding judge of an

1 appellate court is entitled to an annual salary from the state that  
2 is \$2,500 more than the salary provided for the other justices or  
3 judges of the court, except that the combined salary of the chief  
4 justice of a court of appeals may not exceed the amount that is  
5 \$2,500 less than the salary provided for a justice of the supreme  
6 court.

7 SECTION 14. Subchapter A, Chapter 264, Health and Safety  
8 Code, is amended by adding Section 264.004 to read as follows:

9 Sec. 264.004. DISSOLUTION. (a) The commissioners court of  
10 a county by order may dissolve an authority created by the  
11 commissioners court if the commissioners court and the authority  
12 provide for the sale or transfer of the authority's assets and  
13 liabilities to the county.

14 (b) The dissolution of an authority and the sale or transfer  
15 of the authority's assets and liabilities may not:

16 (1) violate a trust indenture or bond resolution  
17 relating to the outstanding bonds of the authority; or

18 (2) diminish or impair the rights of the holders of  
19 outstanding bonds, warrants, or other obligations of the authority.

20 (c) An order dissolving an authority takes effect on the  
21 31st day after the date the commissioners court adopts the order.

22 (d) All records of the authority remaining when the  
23 authority is dissolved shall be transferred to the county clerk of  
24 the county in which the authority is located.

25 SECTION 15. Subtitle D, Title 4, Health and Safety Code, is  
26 amended by adding Chapter 291A to read as follows:

1       CHAPTER 291A. COUNTY HEALTH CARE PROVIDER PARTICIPATION

2                   PROGRAM IN CERTAIN COUNTIES

3                   SUBCHAPTER A. GENERAL PROVISIONS

4       Sec. 291A.001. DEFINITIONS. In this chapter:

5                   (1) "Institutional health care provider" means a  
6 nonpublic hospital that provides inpatient hospital services.

7                   (2) "Paying hospital" means an institutional health  
8 care provider required to make a mandatory payment under this  
9 chapter.

10                   (3) "Program" means the county health care provider  
11 participation program authorized by this chapter.

12       Sec. 291A.002. APPLICABILITY. This chapter applies only  
13 to:

14                   (1) a county that:

15                   (A) is not served by a hospital district or a  
16 public hospital;

17                   (B) has a population of more than 75,000; and

18                   (C) borders or includes a portion of the Sam  
19 Rayburn Reservoir; and

20                   (2) a county that has a population of more than 200,000  
21 and less than 220,000.

22       Sec. 291A.003. COUNTY HEALTH CARE PROVIDER PARTICIPATION  
23 PROGRAM; PARTICIPATION IN PROGRAM. (a) A county health care  
24 provider participation program authorizes a county to collect a  
25 mandatory payment from each institutional health care provider  
26 located in the county to be deposited in a local provider  
27 participation fund established by the county. Money in the fund may



1 be used by the county to fund certain intergovernmental transfers  
2 and indigent care programs as provided by this chapter.

3 (b) The commissioners court may adopt an order authorizing a  
4 county to participate in the program, subject to the limitations  
5 provided by this chapter.

6 SUBCHAPTER B. POWERS AND DUTIES OF COMMISSIONERS COURT

7 Sec. 291A.051. LIMITATION ON AUTHORITY TO REQUIRE MANDATORY  
8 PAYMENT. The commissioners court of a county may require a  
9 mandatory payment authorized under this chapter by an institutional  
10 health care provider in the county only in the manner provided by  
11 this chapter.

12 Sec. 291A.052. MAJORITY VOTE REQUIRED. The commissioners  
13 court of a county may not authorize the county to collect a  
14 mandatory payment authorized under this chapter without an  
15 affirmative vote of a majority of the members of the commissioners  
16 court.

17 Sec. 291A.053. RULES AND PROCEDURES. After the  
18 commissioners court has voted to require a mandatory payment  
19 authorized under this chapter, the commissioners court may adopt  
20 rules relating to the administration of the mandatory payment.

21 Sec. 291A.054. INSTITUTIONAL HEALTH CARE PROVIDER  
22 REPORTING; INSPECTION OF RECORDS. (a) The commissioners court of a  
23 county that collects a mandatory payment authorized under this  
24 chapter shall require each institutional health care provider to  
25 submit to the county a copy of any financial and utilization data  
26 required by and reported to the Department of State Health Services  
27 under Sections 311.032 and 311.033 and any rules adopted by the

1 executive commissioner of the Health and Human Services Commission  
2 to implement those sections.

3 (b) The commissioners court of a county that collects a  
4 mandatory payment authorized under this chapter may inspect the  
5 records of an institutional health care provider to the extent  
6 necessary to ensure compliance with the requirements of Subsection  
7 (a).

8 SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

9 Sec. 291A.101. HEARING. (a) Each year, the commissioners  
10 court of a county that collects a mandatory payment authorized  
11 under this chapter shall hold a public hearing on the amounts of any  
12 mandatory payments that the commissioners court intends to require  
13 during the year.

14 (b) Not later than the fifth day before the date of the  
15 hearing required under Subsection (a), the commissioners court of  
16 the county shall publish notice of the hearing in a newspaper of  
17 general circulation in the county.

18 (c) A representative of a paying hospital is entitled to  
19 appear at the time and place designated in the public notice and to  
20 be heard regarding any matter related to the mandatory payments  
21 authorized under this chapter.

22 Sec. 291A.102. DEPOSITORY. (a) The commissioners court of  
23 each county that collects a mandatory payment authorized under this  
24 chapter by resolution shall designate one or more banks located in  
25 the county as the depository for mandatory payments received by the  
26 county.

27 (b) All income received by a county under this chapter,

1 including the revenue from mandatory payments remaining after  
2 discounts and fees for assessing and collecting the payments are  
3 deducted, shall be deposited with the county depository in the  
4 county's local provider participation fund and may be withdrawn  
5 only as provided by this chapter.

6 (c) All funds under this chapter shall be secured in the  
7 manner provided for securing county funds.

8 Sec. 291A.103. LOCAL PROVIDER PARTICIPATION FUND;  
9 AUTHORIZED USES OF MONEY. (a) Each county that collects a  
10 mandatory payment authorized under this chapter shall create a  
11 local provider participation fund.

12 (b) The local provider participation fund of a county  
13 consists of:

14 (1) all revenue received by the county attributable to  
15 mandatory payments authorized under this chapter, including any  
16 penalties and interest attributable to delinquent payments;

17 (2) money received from the Health and Human Services  
18 Commission as a refund of an intergovernmental transfer from the  
19 county to the state for the purpose of providing the nonfederal  
20 share of Medicaid supplemental payment program payments, provided  
21 that the intergovernmental transfer does not receive a federal  
22 matching payment; and

23 (3) the earnings of the fund.

24 (c) Money deposited to the local provider participation  
25 fund may be used only to:

26 (1) fund intergovernmental transfers from the county  
27 to the state to provide:

1                   (A) the nonfederal share of a Medicaid  
2 supplemental payment program authorized under the state Medicaid  
3 plan, the Texas Healthcare Transformation and Quality Improvement  
4 Program waiver issued under Section 1115 of the federal Social  
5 Security Act (42 U.S.C. Section 1315), or a successor waiver  
6 program authorizing similar Medicaid supplemental payment  
7 programs; or

8                   (B) payments to Medicaid managed care  
9 organizations that are dedicated for payment to hospitals;

10                   (2) subsidize indigent programs;

11                   (3) pay the administrative expenses of the county  
12 solely for activities under this chapter;

13                   (4) refund a portion of a mandatory payment collected  
14 in error from a paying hospital; and

15                   (5) refund to paying hospitals the proportionate share  
16 of money received by the county that is not used to fund the  
17 nonfederal share of Medicaid supplemental payment program  
18 payments.

19                   (d) Money in the local provider participation fund may not  
20 be commingled with other county funds.

21                   (e) An intergovernmental transfer of funds described by  
22 Subsection (c)(1) and any funds received by the county as a result  
23 of an intergovernmental transfer described by that subsection may  
24 not be used by the county or any other entity to expand Medicaid  
25 eligibility under the Patient Protection and Affordable Care Act  
26 (Pub. L. No. 111-148) as amended by the Health Care and Education  
27 Reconciliation Act of 2010 (Pub. L. No. 111-152).

1                    SUBCHAPTER D. MANDATORY PAYMENTS

2            Sec. 291A.151. MANDATORY PAYMENTS BASED ON PAYING HOSPITAL  
3 NET PATIENT REVENUE. (a) Except as provided by Subsection (e), the  
4 commissioners court of a county that collects a mandatory payment  
5 authorized under this chapter may require an annual mandatory  
6 payment to be assessed on the net patient revenue of each  
7 institutional health care provider located in the county. The  
8 commissioners court may provide for the mandatory payment to be  
9 assessed quarterly. In the first year in which the mandatory  
10 payment is required, the mandatory payment is assessed on the net  
11 patient revenue of an institutional health care provider as  
12 determined by the data reported to the Department of State Health  
13 Services under Sections 311.032 and 311.033 in the fiscal year  
14 ending in 2015 or, if the institutional health care provider did not  
15 report any data under those sections in that fiscal year, as  
16 determined by the institutional health care provider's Medicare  
17 cost report submitted for the 2015 fiscal year or for the closest  
18 subsequent fiscal year for which the provider submitted the  
19 Medicare cost report. The county shall update the amount of the  
20 mandatory payment on an annual basis.

21            (b) The amount of a mandatory payment authorized under this  
22 chapter must be uniformly proportionate with the amount of net  
23 patient revenue generated by each paying hospital in the county. A  
24 mandatory payment authorized under this chapter may not hold  
25 harmless any institutional health care provider, as required under  
26 42 U.S.C. Section 1396b(w).

27            (c) The commissioners court of a county that collects a

1 mandatory payment authorized under this chapter shall set the  
2 amount of the mandatory payment. The amount of the mandatory  
3 payment required of each paying hospital may not exceed six percent  
4 of the paying hospital's net patient revenue.

5 (d) Subject to the maximum amount prescribed by Subsection  
6 (c), the commissioners court of a county that collects a mandatory  
7 payment authorized under this chapter shall set the mandatory  
8 payments in amounts that in the aggregate will generate sufficient  
9 revenue to cover the administrative expenses of the county for  
10 activities under this chapter, to fund an intergovernmental  
11 transfer described by Section 291A.103(c)(1), and to pay for  
12 indigent programs, except that the amount of revenue from mandatory  
13 payments used for administrative expenses of the county for  
14 activities under this chapter in a year may not exceed the lesser of  
15 four percent of the total revenue generated from the mandatory  
16 payment or \$20,000.

17 (e) A paying hospital may not add a mandatory payment  
18 required under this section as a surcharge to a patient.

19 Sec. 291A.152. ASSESSMENT AND COLLECTION OF MANDATORY  
20 PAYMENTS. The county may collect or contract for the assessment and  
21 collection of mandatory payments authorized under this chapter.

22 Sec. 291A.153. INTEREST, PENALTIES, AND DISCOUNTS.  
23 Interest, penalties, and discounts on mandatory payments required  
24 under this chapter are governed by the law applicable to county ad  
25 valorem taxes.

26 Sec. 291A.154. PURPOSE; CORRECTION OF INVALID PROVISION OR  
27 PROCEDURE. (a) The purpose of this chapter is to generate revenue

1 by collecting from institutional health care providers a mandatory  
2 payment to be used to provide the nonfederal share of a Medicaid  
3 supplemental payment program.

4 (b) To the extent any provision or procedure under this  
5 chapter causes a mandatory payment authorized under this chapter to  
6 be ineligible for federal matching funds, the county may provide by  
7 rule for an alternative provision or procedure that conforms to the  
8 requirements of the federal Centers for Medicare and Medicaid  
9 Services.

10 SECTION 16. Effective September 1, 2017, Section 533.035,  
11 Health and Safety Code, is amended by adding Subsection (b-1) to  
12 read as follows:

13 (b-1) At least once each year, a local mental health  
14 authority shall consult with the sheriff, or a representative of  
15 the sheriff, of each county in the local authority's service area  
16 regarding the use of funds received under Subsection (b). The local  
17 authority shall provide to the sheriff or the sheriff's  
18 representative a detailed statement of the amount and use of the  
19 funds.

20 SECTION 17. Subchapter C, Chapter 775, Health and Safety  
21 Code, is amended by adding Section 775.0341 to read as follows:

22 Sec. 775.0341. APPOINTMENT OF BOARD IN CERTAIN DISTRICTS  
23 LOCATED IN MORE THAN ONE COUNTY. (a) This section applies only to a  
24 district that was authorized to have a board of emergency services  
25 commissioners appointed under former Section 776.0345 and that is  
26 located:

27 (1) partly in a county with a population of less than

1 22,000; and

2 (2) partly in a county with a population of more than  
3 54,000.

4 (b) A five-member board of emergency services commissioners  
5 appointed under this section serves as the district's governing  
6 body. A commissioner serves a two-year term.

7 (c) The commissioners court of the smallest county in which  
8 the district is located shall appoint two commissioners to the  
9 board. The commissioners court of the largest county in which the  
10 district is located shall appoint three commissioners to the board.

11 (d) To be eligible for appointment as an emergency services  
12 commissioner under this section, a person must be at least 18 years  
13 of age and reside in the district. Two commissioners must reside in  
14 the smallest county in which the district is located, and three  
15 commissioners must reside in the largest county in which the  
16 district is located.

17 (e) On January 1 of each year, a commissioners court shall  
18 appoint a successor for each emergency services commissioner  
19 appointed by that commissioners court whose term has expired.

20 (f) The appropriate commissioners court shall fill a  
21 vacancy on the board for the remainder of the unexpired term.

22 SECTION 18. Section 775.035, Health and Safety Code, is  
23 amended by adding Subsection (j) to read as follows:

24 (j) This section does not apply to a district described by  
25 Section 775.0341.

26 SECTION 19. Section 775.036, Health and Safety Code, is  
27 amended by adding Subsection (a-1) to read as follows:



1        (a-1) Notwithstanding Subsection (a)(1), the board for a  
2 district located wholly in a county with a population of 75,000 or  
3 less may by resolution determine to hold the board's regular  
4 meetings less frequently than prescribed by that subsection. The  
5 resolution must require the board to meet either quarterly or every  
6 other month. The board shall meet as required by the resolution.

7        SECTION 20. Section 81.001(b), Local Government Code, is  
8 amended to read as follows:

9        (b) If present, the county judge is the presiding officer of  
10 the commissioners court. This subsection does not apply to a  
11 meeting held under Section 551.127, Government Code, if the county  
12 judge is not located at the physical space made available to the  
13 public for the meeting.

14        SECTION 21. Effective September 1, 2017, Chapter 140, Local  
15 Government Code, is amended by adding Section 140.012 to read as  
16 follows:

17        Sec. 140.012. EXPENDITURES FOR LOBBYING ACTIVITIES. (a)  
18 This section applies only to:

- 19                (1) a political subdivision that imposes a tax;  
20                (2) a political subdivision or special district that  
21 has the authority to issue bonds, including revenue bonds;  
22                (3) a regional mobility authority;  
23                (4) a transit authority;  
24                (5) a regional tollway authority;  
25                (6) a special purpose district;  
26                (7) a public institution of higher education;  
27                (8) a community college district;

1           (9) a utility owned by the state or a political  
2 subdivision; or

3           (10) a river authority.

4           (b) A political subdivision or entity described by  
5 Subsection (a) may enter into a contract to spend money to directly  
6 or indirectly influence or attempt to influence the outcome of any  
7 legislation only if the contract, purpose of the contract,  
8 recipient of the contract, and amount of the contract expenditure  
9 are authorized by a majority vote of the governing body of the  
10 political subdivision or entity in an open meeting of the governing  
11 body. The contract expenditure must be voted on by the governing  
12 body as a stand-alone item on the agenda at the meeting. The  
13 governing body may approve multiple contract expenditures for the  
14 purpose described by this subsection by a single vote of the  
15 governing body, if the total amount of those expenditures is stated  
16 as a separate item on the meeting agenda.

17           (c) A political subdivision or entity described by  
18 Subsection (a) shall report to the Texas Ethics Commission and  
19 publish on the political subdivision's or entity's Internet  
20 website:

21           (1) the amount of money authorized under Subsection  
22 (b) for the purpose of directly or indirectly influencing or  
23 attempting to influence the outcome of any legislation pending  
24 before the legislature;

25           (2) the name of any person required to register under  
26 Chapter 305, Government Code, retained or employed by the political  
27 subdivision or entity for the purpose described by Subdivision (1);

1 and

2 (3) an electronic copy of any contract for services  
3 described by Subdivision (1) entered into by the political  
4 subdivision or entity with each person listed under Subdivision  
5 (2).

6 (d) In addition to the requirements of Subsection (c), the  
7 political subdivision or entity described by Subsection (a) shall  
8 report to the Texas Ethics Commission and publish on the political  
9 subdivision's or entity's Internet website the amount of public  
10 money spent for membership fees and dues of any nonprofit state  
11 association or organization of similarly situated political  
12 subdivisions or entities that directly or indirectly influences or  
13 attempts to influence the outcome of any legislation pending before  
14 the legislature.

15 (e) The Texas Ethics Commission shall make available to the  
16 public an online searchable database on the commission's Internet  
17 website containing the reports submitted to the commission under  
18 Subsection (c).

19 (f) If any political subdivision or entity described by  
20 Subsection (a) does not comply with the requirements of this  
21 section, an interested party is entitled to appropriate injunctive  
22 relief to prevent any further activity in violation of this  
23 section. For purposes of this subsection, "interested party" means  
24 a person who:

25 (1) is a taxpayer of a political subdivision or entity  
26 described by Subsection (a); or

27 (2) is served by or receives services from a political

1 subdivision or entity described by Subsection (a).

2 (g) This section does not apply to expenditures or contracts  
3 of a political subdivision or entity described by Subsection (a)  
4 that are related to a person who is a full-time employee of the  
5 political subdivision or entity, or to the reimbursement of  
6 expenses for a full-time employee of the political subdivision or  
7 entity.

8 SECTION 22. Effective September 1, 2017, Chapter 203, Local  
9 Government Code, is amended by adding Subchapter D to read as  
10 follows:

11 SUBCHAPTER D. RECORDS AND INFORMATION PROVIDED TO COMPTROLLER

12 Sec. 203.061. APPLICABILITY OF SUBCHAPTER. This subchapter  
13 applies only to a special purpose district described by Section  
14 403.0241(b), Government Code.

15 Sec. 203.062. PROVISION OF CERTAIN RECORDS AND OTHER  
16 INFORMATION TO COMPTROLLER. (a) A special purpose district shall  
17 transmit records and other information to the comptroller annually  
18 for purposes of providing the comptroller with information to  
19 operate and update the Special Purpose District Public Information  
20 Database under Section 403.0241, Government Code.

21 (b) The special purpose district may comply with Subsection  
22 (a) by affirming that records and other information previously  
23 transmitted are current.

24 (c) The special purpose district shall transmit the records  
25 and other information in a form and in the manner prescribed by the  
26 comptroller.

27 Sec. 203.063. PENALTIES FOR NONCOMPLIANCE. (a) If a

1 special purpose district does not timely comply with Section  
2 203.062, the comptroller shall provide written notice to the  
3 special purpose district:

4           (1) informing the special purpose district of the  
5 violation of that section; and

6           (2) notifying the special purpose district that the  
7 special purpose district will be subject to a penalty of \$1,000 if  
8 the special purpose district does not report the required  
9 information on or before the 30th day after the date the notice is  
10 provided.

11           (b) Not later than the 30th day after the date the  
12 comptroller provides notice to a special purpose district under  
13 Subsection (a), the special purpose district must report the  
14 required information.

15           (c) If a special purpose district does not report the  
16 required information as prescribed by Subsection (b):

17               (1) the special purpose district is liable to the  
18 state for a civil penalty of \$1,000; and

19               (2) the comptroller shall provide written notice to  
20 the special purpose district:

21                   (A) informing the special purpose district of the  
22 liability for the penalty; and

23                   (B) notifying the special purpose district that  
24 if the special purpose district does not report the required  
25 information on or before the 30th day after the date the notice is  
26 provided:

27                           (i) the special purpose district will be

1 subject to an additional penalty of \$1,000; and

2 (ii) the noncompliance will be reflected in  
3 the list maintained by the comptroller under Section 403.0242,  
4 Government Code.

5 (d) Not later than the 30th day after the date the  
6 comptroller provides notice to a special purpose district under  
7 Subsection (c), the special purpose district must report the  
8 required information.

9 (e) If a special purpose district does not report the  
10 required information as prescribed by Subsection (d):

11 (1) the special purpose district is liable to the  
12 state for a civil penalty of \$1,000; and

13 (2) the comptroller shall:

14 (A) reflect the noncompliance in the list  
15 maintained under Section 403.0242, Government Code, until the  
16 special purpose district reports all information required under  
17 Section 203.062; and

18 (B) provide written notice to the special purpose  
19 district that the noncompliance will be reflected in the list until  
20 the special purpose district reports the required information.

21 (f) The attorney general may sue to collect a civil penalty  
22 imposed by this section.

23 SECTION 23. Effective September 1, 2017, Section  
24 250.006(a), Local Government Code, is amended to read as follows:

25 (a) Except as provided by Subsection (h), a county by order  
26 or a municipality by ordinance may require the owner of property  
27 within the jurisdiction of the county or municipality to remove

1 graffiti from the owner's property on receipt of notice from the  
2 county or municipality. This section applies only to commercial  
3 property. Nothing in this section may be construed as applying to  
4 residential property.

5 SECTION 24. Subchapter 2, Chapter 271, Local Government  
6 Code, is amended by adding Section 271.909 to read as follows:

7 Sec. 271.909. PURCHASES: DEVICES THAT UTILIZE ELECTRONIC  
8 CAPTURE. As it relates to purchases by political subdivisions and  
9 notwithstanding any other state law, devices that utilize  
10 electronic capture to produce a physical record are considered  
11 interchangeable with devices that utilize electronic capture to  
12 produce an electronic record.

13 SECTION 25. Chapter 330, Local Government Code, is amended  
14 by adding Section 330.002 to read as follows:

15 Sec. 330.002. LIMITATION ON AUTHORITY OF CERTAIN COUNTIES  
16 TO IMPROVE OR REDEVELOP CERTAIN SPORTS FACILITIES. (a) In this  
17 section:

18 (1) "County revenue" includes revenue from property  
19 taxes, hotel occupancy taxes, fees, and fines.

20 (2) "Obsolete sports facility" means a multipurpose  
21 arena, coliseum, or stadium designed to be used in part as a venue  
22 for professional sports events and that opened to the public before  
23 1966.

24 (b) This section applies only to a county with a population  
25 of 3.3 million or more.

26 (c) A county may not fund, in whole or in part, the  
27 improvement or redevelopment of an obsolete sports facility with

1 county revenue or debt if the improvement or redevelopment will  
2 cost \$10 million or more, unless the funding is approved by the  
3 voters of the county at an election held for that purpose.

4 SECTION 26. Section 375.022(b), Local Government Code, is  
5 amended to read as follows:

6 (b) The petition must be signed by[+

7 [~~1~~] the owners of a majority of the assessed value of  
8 the real property in the proposed district, according to the most  
9 recent certified county property tax rolls[~~+~~or

10 [~~(2) 50 persons who own real property in the proposed~~  
11 ~~district if, according to the most recent certified county property~~  
12 ~~tax rolls, more than 50 persons own real property in the proposed~~  
13 ~~district]~~.

14 SECTION 27. Effective September 1, 2017, Section 391.0095,  
15 Local Government Code, is amended by amending Subsections (a), (d),  
16 and (e) and adding Subsections (c-1), (d-1), and (f) to read as  
17 follows:

18 (a) The audit and reporting requirements under Section  
19 391.009(a) shall include a requirement that a commission annually  
20 report to the state auditor:

21 (1) the amount and source of funds received by the  
22 commission during the commission's preceding fiscal year;

23 (2) the amount and source of funds expended by the  
24 commission during the commission's preceding fiscal year,  
25 including, for each commission program for which an expenditure is  
26 made:

27 (A) a description of the program;



1                   (B) the name of the program and the name of each  
2 eligible recipient, governmental unit, or other person who received  
3 funds approved by the governing body of the commission under the  
4 program; and

5                   (C) the amount spent for each eligible  
6 governmental unit;

7                   (3) an explanation of any method used by the  
8 commission to compute an expense of the commission, including  
9 computation of any indirect cost of the commission;

10                  (4) a report of the commission's productivity and  
11 performance during the commission's preceding fiscal year [~~annual~~  
12 ~~reporting period~~];

13                  (5) a projection of the commission's productivity and  
14 performance during the commission's next fiscal year [~~annual~~  
15 ~~reporting period~~];

16                  (6) the results of an audit of the commission's affairs  
17 prepared by an independent certified public accountant; and

18                  (7) a report of any assets disposed of by the  
19 commission during the commission's preceding fiscal year.

20                  (c-1) The report submitted under this section shall note any  
21 governmental units that are ineligible to receive money under a  
22 commission program.

23                  (d) If a commission fails to submit a report or audit as  
24 required under this section or is determined by the state auditor to  
25 have failed to comply with a rule, requirement, or guideline  
26 adopted under Section 391.009, the state auditor shall report the  
27 failure to the governor's office. The governor may, until the

1 failure is corrected:

2 (1) appoint a receiver to operate or oversee the  
3 commission; or

4 (2) withhold any appropriated funds of the commission.

5 (d-1) If the governor appoints a receiver under Subsection  
6 (d)(1), the receiver or the commission may not spend any of the  
7 commission's funds until the failure is corrected.

8 (e) A commission shall send to the governor, the state  
9 auditor, the comptroller, the members of the legislature that  
10 represent a district located wholly or partly in the region of the  
11 commission, each participating governmental unit in the region, and  
12 the Legislative Budget Board a copy of each report and audit  
13 required under this section or under Section 391.009. The state  
14 auditor may review each audit and report, subject to a risk  
15 assessment performed by the state auditor and to the legislative  
16 audit committee's approval of including the review in the audit  
17 plan under Section 321.013, Government Code. If the state auditor  
18 reviews the audit or report, the state auditor must be given access  
19 to working papers and other supporting documentation that the state  
20 auditor determines is necessary to perform the review. If the state  
21 auditor finds significant issues involving the administration or  
22 operation of a commission or its programs, the state auditor shall  
23 report its findings and related recommendations to the legislative  
24 audit committee, the governor, and the commission. The governor  
25 and the legislative audit committee may direct the commission to  
26 prepare a corrective action plan or other response to the state  
27 auditor's findings or recommendations. The legislative audit

1 committee may direct the state auditor to perform any additional  
2 audit or investigative work that the committee determines is  
3 necessary.

4 (f) A commission's Internet website home page must contain a  
5 prominently placed direct link to the most recent report and audit  
6 required under this section.

7 SECTION 28. Effective September 1, 2017, Section 1.07(d),  
8 Tax Code, is amended to read as follows:

9 (d) A notice required by Section 11.43(q), 11.45(d),  
10 23.44(d), 23.46(c) or (f), 23.54(e), 23.541(c), 23.55(e),  
11 23.551(a), 23.57(d), 23.76(e), 23.79(d), ~~[or]~~ 23.85(d), or  
12 33.06(h) must be sent by certified mail.

13 SECTION 29. Effective September 1, 2017, Section 33.06, Tax  
14 Code, is amended by adding Subsection (h) to read as follows:

15 (h) The chief appraiser may not make a determination that an  
16 individual who is 65 years of age or older is no longer entitled to  
17 receive a deferral or abatement under this section because the  
18 property for which the deferral or abatement was obtained is no  
19 longer the individual's principal residence without first  
20 providing written notice to the individual stating that the chief  
21 appraiser believes the property may no longer be the individual's  
22 principal residence. The notice must include a form on which the  
23 individual may indicate that the property remains the individual's  
24 principal residence and a self-addressed postage prepaid envelope  
25 with instructions for returning the form to the chief appraiser.  
26 The chief appraiser shall consider the individual's response on the  
27 form in determining whether the property remains the individual's

1 principal residence. If the chief appraiser does not receive a  
2 response on or before the 60th day after the date the notice is  
3 mailed, the chief appraiser may make a determination that the  
4 property is no longer the individual's principal residence on or  
5 after the 30th day after the expiration of the 60-day period, but  
6 only after making a reasonable effort to locate the individual and  
7 determine whether the property remains the individual's principal  
8 residence. For purposes of this subsection, sending an additional  
9 notice that includes, in bold font equal to or greater in size than  
10 the surrounding text, the date on which the chief appraiser is  
11 authorized to make the determination to the individual receiving  
12 the deferral or abatement immediately after the expiration of the  
13 60-day period by first class mail in an envelope on which is  
14 written, in all capital letters, "RETURN SERVICE REQUESTED," or  
15 another appropriate statement directing the United States Postal  
16 Service to return the notice if it is not deliverable as addressed,  
17 or providing the additional notice in another manner that the chief  
18 appraiser determines is appropriate, constitutes a reasonable  
19 effort on the part of the chief appraiser. The chief appraiser may  
20 include a notice required under this subsection in a notice  
21 required under Section 11.43(q), if applicable.

22       SECTION 30. Effective     September     1,     2017,     Section  
23 313.032(c), Tax Code, is amended to read as follows:

24       (c) The portion of the report described by Subsection (a)(2)  
25 must be based on data certified to the comptroller by each recipient  
26 or former recipient of a limitation on appraised value under this  
27 chapter. The recipient or former recipient shall contract with an

1 independent certified public accountant to verify the data  
2 certified to the comptroller. The data may be verified using  
3 information from any reliable source, including the Texas Workforce  
4 Commission and the chief appraiser of the applicable appraisal  
5 district.

6       SECTION 31. Effective September 1, 2017, Section  
7 397.0125(a), Transportation Code, is amended to read as follows:

8       (a) In addition to the penalty provided by Section 397.012,  
9 a person who operates an automotive wrecking and salvage yard in  
10 violation of this chapter is liable for a civil penalty of not less  
11 than \$500 or more than \$5,000 [~~\$1,000~~] for each violation. A  
12 separate penalty may be imposed for each day a continuing violation  
13 occurs.

14       SECTION 32. Section 49.302(b), Water Code, is amended to  
15 read as follows:

16       (b) A petition requesting the annexation of a defined area  
17 signed by a majority in value of the owners of land in the defined  
18 area, as shown by the tax rolls of the central appraisal district of  
19 the county or counties in which such area is located, [~~or signed by~~  
20 ~~50 landowners if the number of landowners is more than 50,~~] shall  
21 describe the land by metes and bounds or by lot and block number if  
22 there is a recorded plat of the area and shall be filed with the  
23 secretary of the board.

24       SECTION 33. Section 54.014, Water Code, is amended to read  
25 as follows:

26       Sec. 54.014. PETITION. When it is proposed to create a  
27 district, a petition requesting creation shall be filed with the

1 commission. The petition shall be signed by a majority in value of  
2 the holders of title of the land within the proposed district, as  
3 indicated by the tax rolls of the central appraisal district. [~~If~~  
4 ~~there are more than 50 persons holding title to the land in the~~  
5 ~~proposed district, as indicated by the tax rolls of the central~~  
6 ~~appraisal district, the petition is sufficient if it is signed by 50~~  
7 ~~holders of title to the land.~~]

8 SECTION 34. Section 54.016(a), Water Code, is amended to  
9 read as follows:

10 (a) No land within the corporate limits of a city or within  
11 the extraterritorial jurisdiction of a city, shall be included in a  
12 district unless the city grants its written consent, by resolution  
13 or ordinance, to the inclusion of the land within the district in  
14 accordance with Section 42.042, Local Government Code, and this  
15 section. The request to a city for its written consent to the  
16 creation of a district, shall be signed by a majority in value of  
17 the holders of title of the land within the proposed district as  
18 indicated by the county tax rolls [~~or, if there are more than 50~~  
19 ~~persons holding title to the land in the proposed district as~~  
20 ~~indicated by the county tax rolls, the request to the city will be~~  
21 ~~sufficient if it is signed by 50 holders of title to the land in the~~  
22 ~~district~~]. A petition for the written consent of a city to the  
23 inclusion of land within a district shall describe the boundaries  
24 of the land to be included in the district by metes and bounds or by  
25 lot and block number, if there is a recorded map or plat and survey  
26 of the area, and state the general nature of the work proposed to be  
27 done, the necessity for the work, and the cost of the project as

1 then estimated by those filing the petition. If, at the time a  
2 petition is filed with a city for creation of a district, the  
3 district proposes to connect to a city's water or sewer system or  
4 proposes to contract with a regional water and wastewater provider  
5 which has been designated as such by the commission as of the date  
6 such petition is filed, to which the city has made a capital  
7 contribution for the water and wastewater facilities serving the  
8 area, the proposed district shall be designated as a "city service  
9 district." If such proposed district does not meet the criteria for  
10 a city service district at the time the petition seeking creation is  
11 filed, such district shall be designated as a "noncity service  
12 district." The city's consent shall not place any restrictions or  
13 conditions on the creation of a noncity service district as defined  
14 by Chapter 54 of the Texas Water Code other than those expressly  
15 provided in Subsection (e) of this section and shall specifically  
16 not limit the amounts of the district's bonds. A city may not  
17 require annexation as a consent to creation of any district. A city  
18 shall not refuse to approve a district bond issue for any reason  
19 except that the district is not in compliance with valid consent  
20 requirements applicable to the district. If a city grants its  
21 written consent without the concurrence of the applicant to the  
22 creation of a noncity service district containing conditions or  
23 restrictions that the petitioning land owner or owners reasonably  
24 believe exceed the city's powers, such land owner or owners may  
25 petition the commission to create the district and to modify the  
26 conditions and restrictions of the city's consent. The commission  
27 may declare any provision of the consent to be null and void.

1           SECTION 35. (a) All governmental acts and proceedings of an  
2 emergency services district to which former Section 776.0345,  
3 Health and Safety Code, applied before that section was repealed  
4 and that relate to the selection of emergency services  
5 commissioners of the district and that were taken between January  
6 1, 2012, and the effective date of this Act are validated, ratified,  
7 and confirmed in all respects as if they had been taken as  
8 authorized by law.

9           (b) This section does not apply to any matter that on the  
10 effective date of this Act:

11                 (1) is involved in litigation if the litigation  
12 ultimately results in the matter being held invalid by a final court  
13 judgment; or

14                 (2) has been held invalid by a final court judgment.

15           SECTION 36. Section 1, Article 55.02, Code of Criminal  
16 Procedure, as amended by this Act, applies only to the expunction of  
17 arrest records and files related to a criminal offense for which the  
18 trial of the offense begins on or after September 1, 2017. The  
19 expunction of arrest records and files related to a criminal  
20 offense for which the trial of the offense begins before September  
21 1, 2017, is governed by the law in effect on the date the trial  
22 begins, and the former law is continued in effect for that purpose.

23           SECTION 37. Article 102.006, Code of Criminal Procedure, as  
24 amended by this Act, applies only to a petition for expunction filed  
25 on or after September 1, 2017. A petition for expunction filed  
26 before September 1, 2017, is governed by the law in effect on the  
27 date the petition was filed, and the former law is continued in



1 effect for that purpose.

2       SECTION 38. Sections 54.656 and 54.658, Government Code, as  
3 amended by this Act, apply to a matter or case referred to a  
4 magistrate on or after September 1, 2017. A matter or case referred  
5 to a magistrate before September 1, 2017, is governed by the law in  
6 effect immediately before that date, and that law is continued in  
7 effect for that purpose.

8       SECTION 39. Section 411.0746, Government Code, as added by  
9 this Act, applies only to an order of nondisclosure of criminal  
10 history record information issued on or after September 1, 2017.  
11 The issuance of an order of nondisclosure of criminal history  
12 record information before September 1, 2017, is governed by the law  
13 in effect on the date the order was issued, and the former law is  
14 continued in effect for that purpose.

15       SECTION 40. If before implementing any provision of Chapter  
16 291A, Health and Safety Code, as added by this Act, a state agency  
17 determines that a waiver or authorization from a federal agency is  
18 necessary for implementation of that provision, the agency affected  
19 by the provision shall request the waiver or authorization and may  
20 delay implementing that provision until the waiver or authorization  
21 is granted.

22       SECTION 41. (a) The comptroller shall create and post on  
23 the Internet the Special Purpose District Public Information  
24 Database required by Section 403.0241, Government Code, as added by  
25 this Act, not later than September 1, 2018.

26       (b) Not later than January 1, 2018, the comptroller shall  
27 send written notice to each special purpose district described by

1 Section 403.0241(b), Government Code, as added by this Act, that  
2 describes the changes in law made by this Act. Each special purpose  
3 district that receives notice shall submit to the comptroller any  
4 information required under Section 403.0241, Government Code, as  
5 added by this Act, or Section 203.062, Local Government Code, as  
6 added by this Act, not later than the 90th day after the date the  
7 district receives the notice.

8 (c) Notwithstanding another provision of this Act,  
9 including Subsections (a) and (b) of this section, the comptroller  
10 is required to implement Sections 403.0241 and 403.0242, Government  
11 Code, and Subchapter D, Chapter 203, Local Government Code, as  
12 added by this Act, only if the legislature appropriates money  
13 specifically for that purpose. If the legislature does not  
14 appropriate money specifically for that purpose, the comptroller  
15 may, but is not required to, implement Sections 403.0241 and  
16 403.0242, Government Code, and Subchapter D, Chapter 203, Local  
17 Government Code, as added by this Act, using other appropriations  
18 available for that purpose.

19 SECTION 42. Sections 1.07 and 33.06, Tax Code, as amended by  
20 this Act, apply only to a determination by a chief appraiser that an  
21 individual who is 65 years of age or older is no longer entitled to  
22 receive a deferral or abatement of collection of ad valorem taxes  
23 under Section 33.06, Tax Code, because the property for which the  
24 deferral or abatement was obtained is no longer the individual's  
25 principal residence that is made on or after September 1, 2017. A  
26 determination by a chief appraiser that an individual who is 65  
27 years of age or older is no longer entitled to receive a deferral or

1 abatement of collection of ad valorem taxes under Section 33.06,  
2 Tax Code, because the property for which the deferral or abatement  
3 was obtained is no longer the individual's principal residence that  
4 is made before September 1, 2017, is governed by the law in effect  
5 at the time the determination was made, and that law is continued in  
6 effect for that purpose.

7       SECTION 43. Section 397.0125, Transportation Code, as  
8 amended by this Act, applies only to a violation of Chapter 397,  
9 Transportation Code, that occurs on or after September 1, 2017. A  
10 violation of that chapter that occurred before September 1, 2017,  
11 is governed by the law in effect when the violation occurred, and  
12 the former law is continued in effect for that purpose.

13       SECTION 44. Except as otherwise provided by this Act, this  
14 Act takes effect immediately if it receives a vote of two-thirds of  
15 all the members elected to each house, as provided by Section 39,  
16 Article III, Texas Constitution. If this Act does not receive the  
17 vote necessary for immediate effect, this Act takes effect  
18 September 1, 2017.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 1

*Lotay Spaw*  
Secretary of the Senate

BY: *L. W. Keller*

- 1 Amend C.S.H.B. 4180 (senate committee report) as follows:
- 2 (1) In SECTION 27 of the bill, in the recital (page 12, line
- 3 62), strike "(c-1), (d-1)," and substitute "(d-1)".
- 4 (2) In SECTION 27 of the bill, in amended Section
- 5 391.0095(a)(2), Local Government Code (page 13, lines 4-10), strike
- 6 Paragraphs (A)-(C) and substitute the following:
- 7 (A) the name and description of the program; and
- 8 (B) the amount approved by the governing board of
- 9 the commission and spent for each eligible governmental unit;
- 10 (3) In SECTION 27 of the bill, in amended Section 391.0095,
- 11 Local Government Code (page 13, lines 24-26), strike added
- 12 Subsection (c-1).
- 13 (4) In SECTION 27 of the bill, in added Section
- 14 391.0095(d-1), Local Government Code (page 13, line 38), between
- 15 "funds" and "until" insert "without approval of the receiver".

ADOPTED

✓✓  
MAY 23 2017

FLOOR AMENDMENT NO. 2

*Lataj Spaw*  
Secretary of the Senate

BY:

*Zaffinini*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTION to the bill and  
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_ Subtitle B, Title 10, Local Government Code,  
5 is amended by adding Chapter 328 to read as follows:

6 CHAPTER 328. COUNTY WATER RECREATION SAFETY ZONE ALONG CERTAIN  
7 RIVERS

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 328.001. APPLICABILITY. This chapter applies only to  
10 a county that borders or includes all or part of a river with  
11 headwaters located on the campus of an institution of the Texas  
12 State University System.

13 Sec. 328.002. DEFINITIONS. In this chapter:

14 (1) "Fee" means a county water recreation safety zone  
15 fee authorized by Subchapter C.

16 (2) "Fund" means a county water recreation safety  
17 zone fund created under Subchapter C.

18 (3) "Water-oriented recreational equipment" means  
19 recreational equipment intended for use on a river or other body  
20 of water, including a canoe, tube, raft, boat, or kayak.

21 (4) "Zone" means a county water recreation safety  
22 zone designated under Subchapter B.

23 SUBCHAPTER B. DESIGNATION OF COUNTY WATER RECREATION SAFETY  
24 ZONE

25 Sec. 328.021. AUTHORITY TO DESIGNATE ZONE. (a) The  
26 commissioners court of a county may designate a contiguous  
27 geographic area located in the county that is adjacent to and  
28 includes all or part of a river described by Section 328.001 as  
29 a county water recreation safety zone.

1       (b) The commissioners court of a county may not designate  
2 a zone under this subchapter unless the commissioners court  
3 first complies with the requirements of Sections 328.023,  
4 328.024, 328.025, and 328.026.

5       Sec. 328.022. PURPOSE OF ZONE. A county may designate a  
6 zone only for the purpose of improving the public health,  
7 safety, and welfare of:

8           (1) residents of the zone; and  
9           (2) individuals who engage in recreational activities  
10 in, on, or along a river described by Section 328.001 that is  
11 located in the zone.

12       Sec. 328.023. PROPOSAL TO DESIGNATE ZONE. (a) The  
13 commissioners court of a county:

14           (1) may propose the designation of a zone on the  
15 commissioners court's own motion; and

16           (2) shall propose the designation of a zone if the  
17 county clerk receives a written petition for the designation  
18 signed by a number of registered voters of the county equal to  
19 at least five percent of the votes received in the county in the  
20 most recent gubernatorial general election.

21       (b) A proposal described by Subsection (a) must describe  
22 the boundaries of the proposed zone with sufficient definiteness  
23 to identify with ordinary and reasonable certainty the area  
24 included in the zone.

25       Sec. 328.024. PRELIMINARY PLAN FOR FEES. Before  
26 conducting a public hearing under Section 328.025, the  
27 commissioners court must prepare a preliminary plan for the use  
28 of zone fees that the county may impose.

29       Sec. 328.025. PUBLIC HEARING. (a) A commissioners court  
30 that adopts a proposal to designate a zone must hold a public  
31 hearing on the proposal and the preliminary plan for fees at

1 which members of the public are given the opportunity to be  
2 heard.

3 (b) The commissioners court must hold the hearing not  
4 earlier than the 20th day or later than the 40th day after the  
5 date the commissioners court adopts the proposal designating the  
6 zone.

7 (c) The county must publish notice of the public hearing  
8 in a newspaper of general circulation in the county at least  
9 once each week during the two weeks preceding the date of the  
10 hearing.

11 Sec. 328.026. ELECTION. (a) Following the public hearing  
12 held under Section 328.025, the commissioners court shall order  
13 an election on the question of designating the zone if the  
14 commissioners court finds that the designation will serve the  
15 purpose prescribed by Section 328.022.

16 (b) A commissioners court that orders an election under  
17 this section must order the election to be held on the first  
18 uniform election date that falls on or after the 78th day after  
19 the date the public hearing is held.

20 (c) The order calling the election must allow voters in  
21 the county to vote for or against the designation of the  
22 proposed zone.

23 (d) A county that holds an election under this section  
24 must hold the election in the same manner as a general election  
25 of the county.

26 Sec. 328.027. DESIGNATION OF ZONE. (a) The commissioners  
27 court of a county in which the voters approve the designation of  
28 the zone at an election held under this subchapter shall  
29 designate the area as a zone.

30 (b) Not later than the fifth day after the date the  
31 commissioners court adopts the order described by Section

1 328.026, the county must send notice of the designation to the  
2 commissioners court of each county authorized to designate a  
3 zone under this chapter.

4 SUBCHAPTER C. COUNTY WATER RECREATION SAFETY ZONE FEE

5 Sec. 328.041. COUNTY WATER RECREATION SAFETY ZONE FEE.

6 (a) A commissioners court that has designated a zone under  
7 Subchapter B may impose a county water recreation safety zone  
8 fee in the zone as provided by this section.

9 (b) The commissioners court may impose the fee on:

10 (1) the rental of water-oriented recreational  
11 equipment;

12 (2) the provision of shuttle service related to  
13 water-oriented recreational activities:

14 (A) in the zone; or

15 (B) into or out of the zone; and

16 (3) a service for ingress or egress to a river  
17 described by Section 328.001 that is located in the zone.

18 (c) The commissioners court may impose different fee rates  
19 for different types of water-oriented recreational equipment or  
20 services for which the county is authorized to impose the fee.  
21 The commissioners court may not impose the fee at a rate greater  
22 than four dollars per person for each:

23 (1) rental of water-oriented recreational equipment  
24 in the zone; or

25 (2) if the person does not rent water-oriented  
26 recreational equipment in the zone:

27 (A) use of a shuttle service described by  
28 Subsection (b) (2); or

29 (B) service for ingress or egress to a river  
30 described by Section 328.001 that is located in the zone.

31 (d) The commissioners court by order shall establish:



1           (1) procedures and deadlines for a person who  
2 collects a fee under this subchapter to report and remit the  
3 fee;

4           (2) penalties and interest for failure to timely  
5 remit a fee collected under this subchapter; and

6           (3) any other requirement necessary for the  
7 administration of the fee imposed under this section.

8       Sec. 328.042. EXEMPTION. A county may not impose the fee  
9 authorized by this subchapter on a transaction to which the  
10 United States or this state is a party.

11       Sec. 328.043. COLLECTION AND REMITTANCE OF FEE. (a) A  
12 person who rents water-oriented recreational equipment under  
13 Section 328.041(b)(1) to another person or who provides a  
14 service described by Section 328.041(b)(2) or (3) to that person  
15 shall collect the fee imposed under this subchapter from the  
16 other person and shall report and remit the fee to the county in  
17 the manner prescribed by the county.

18       (b) A person responsible for collecting the fee is liable  
19 to the county for the amount of the fee required to be collected  
20 under this section.

21       Sec. 328.044. COUNTY WATER RECREATION SAFETY ZONE FUND.  
22 (a) A county in which the commissioners court has designated a  
23 zone under Subchapter B must create and maintain a county water  
24 recreation safety zone fund as a separate account in a  
25 depository authorized to accept deposits of county public funds.

26       (b) The county shall deposit all fee revenue remitted to  
27 the county under this subchapter to the credit of the fund.

28       (c) A county may not use fee revenue deposited to the  
29 credit of the fund for a purpose other than the purpose  
30 prescribed by Section 328.045.

31       Sec. 328.045. USE OF FEE REVENUE. A county may use fee

1 revenue deposited in the fund only to employ or contract with  
2 additional peace officers, as defined by Article 2.12, Code of  
3 Criminal Procedure, to provide law enforcement in the zone.

4 SUBCHAPTER D. DISSOLUTION OF ZONE

5 Sec. 328.061. DISSOLUTION OF ZONE. (a) The commissioners  
6 court of a county that has designated a zone under Subchapter B:

7 (1) may propose the dissolution of the zone on the  
8 commissioners court's own motion; and

9 (2) shall propose the dissolution of the zone if the  
10 county clerk receives a written petition for the dissolution of  
11 the zone signed by a number of the registered voters of the  
12 county equal to at least 10 percent of the votes received in the  
13 county in the most recent gubernatorial general election.

14 (b) A commissioners court that adopts a proposal for the  
15 dissolution of a zone must hold a public hearing on the proposal  
16 in the manner prescribed by Section 328.025.

17 (c) After the public hearing, the commissioners court  
18 shall order the dissolution of the zone if the commissioners  
19 court finds that the dissolution is in the best interest of the  
20 county.

21 SUBCHAPTER E. EXPIRATION OF AUTHORITY TO DESIGNATE ZONE

22 Sec. 328.081. EXPIRATION OF AUTHORITY TO DESIGNATE ZONE.  
23 A commissioners court may not designate a zone under this  
24 chapter after August 31, 2019, if the commissioners court has  
25 not designated a zone before that date.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 3

*Leta Spaw*  
Secretary of the Senate

BY: *Simon Sindwell*

1 Amend C.S.H.B. No. 4180 (senate committee printing) by  
2 adding the following appropriately numbered SECTIONS to the  
3 bill and renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_. Section 775.0751(c-1), Health and Safety Code,  
5 is amended to read as follows:

6 (c-1) A district that otherwise would be precluded from  
7 adopting a sales and use tax under Subsection (c) may adopt a  
8 sales and use tax, change the rate of its sales and use tax, or  
9 abolish its sales and use tax at an election held as provided by  
10 Section 775.0752, if the board:

11 (1) excludes from the ~~[election and the]~~  
12 applicability of any proposed sales and use tax any territory in  
13 the district where the sales and use tax is then at two percent;  
14 and

15 (2) not later than the 30th day after the date on  
16 which the board issues the election order, gives, for  
17 informational purposes, written or oral notice on the proposed  
18 imposition, increase, or abolition of the sales and use tax,  
19 including the reasons for the proposed change, to the  
20 commissioners court of each county in which the district is  
21 located.

22 SECTION \_\_. Section 775.0752, Health and Safety Code, is  
23 amended by adding Subsection (f) to read as follows:

24 (f) At an election described by Section 775.0751(c-1) to  
25 adopt the tax, the ballot shall be prepared to permit voting for  
26 or against the proposition: "The adoption of a local sales and  
27 use tax in (name of district) at a rate not to exceed (proposed  
28 tax rate) percent in any location in the district."

29 SECTION \_\_. The acts and proceedings of an emergency

1 services district relating to an election described by Section  
2 775.0751(c-1), Health and Safety Code, to impose a sales and use  
3 tax that was held November 3, 2015, and at which the ballot  
4 proposition used language from Section 775.0752, Health and  
5 Safety Code, and was approved by a majority of the voters voting  
6 on the proposition are validated as of the dates they occurred.  
7 The validation includes the preparation and wording of the  
8 ballot proposition, any action taken by the district in calling,  
9 holding, and canvassing the tax election, and any other action  
10 taken by the district before the effective date of this Act in  
11 connection with the imposition of the tax approved in the tax  
12 election. A district may take any further action or conduct any  
13 further proceeding necessary to complete the imposition of the  
14 tax approved at the tax election.

ADOPTED

V V  
MAY 23 2017

FLOOR AMENDMENT NO. 4

*Letty Spaw*  
Secretary of the Senate

BY: *Deliger*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTION to the bill and  
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_ Effective September 1, 2017, Section 234.132,  
5 Local Government Code, as amended by Chapters 623 (S.B. 1210)  
6 and 1170 (S.B. 866), Acts of the 84th Legislature, Regular  
7 Session, 2015, is reenacted and amended to read as follows:

8 Sec. 234.132. APPLICABILITY. This subchapter applies only  
9 to:

10 (1) a county that has a population of less than  
11 25,000, is adjacent to the Gulf of Mexico, and is within 50  
12 miles of an international border;

13 (2) a county that has a population of four million or  
14 more;

15 (3) a county that is adjacent to the Gulf of Mexico  
16 and to a county that has a population of four million or more;  
17 [~~and~~]

18 (4) a county located on the Texas-Mexico border that  
19 has a population of less than 300,000 and contains a  
20 municipality with a population of 200,000 or more;

21 (5) [~~43~~] a county that has a population of 550,000  
22 or more and is adjacent to a county described by Subdivision  
23 (2);

24 (6) a county that is located in the Permian Basin  
25 within 25 miles of this state's border with another state of the  
26 United States and has a population of more than 130,000;

27 (7) a county that is located on this state's border  
28 with Louisiana, has a population of more than 65,000, and is  
29 within 50 miles of a municipality in Louisiana with a population

1 of more than 150,000;

2 (8) a county that has a population of more than  
3 200,000 and less than 220,000; and

4 (9) a county that has a population of more than 1.8  
5 million and that is adjacent to a county with a population of  
6 more than 2.2 million.

ADOPTED

FLOOR AMENDMENT NO. 5

V V  
MAY 23 2017

BY:

*Rayan Hylton*

*Lataj Spaw*  
Secretary of the Senate

1 Amend C.S.H.B. 4180 (senate committee report) in SECTION 15  
2 of the bill (senate committee report page 6, lines 40-49) by  
3 striking added Sec. 291A.002, Health and Safety Code, and  
4 substituting:

5 Sec. 291A.002. APPLICABILITY. This chapter applies only to  
6 a county with a population of 85,000 or more that is not served  
7 by a hospital district and borders:

8 (1) or includes a portion of, the Sam Rayburn Reservoir; or

9 (2) Lake Palestine.

ADOPTED

MAY 23 2017

BY:

FLOOR AMENDMENT NO. 6

*Robert West*  
*Robert West*  
Secretary of the Senate

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_. Section 158.001, Local Government Code, is  
5 amended by adding Subdivision (4) to read as follows:

6 (4) "Supplemental commission" means a supplemental  
7 commission established under Section 158.0085.

8 SECTION \_\_. Subchapter A, Chapter 158, Local Government  
9 Code, is amended by adding Section 158.0085 to read as follows:

10 Sec. 158.0085. SUPPLEMENTAL COMMISSION IN CERTAIN  
11 COUNTIES. (a) This section applies only to a county:

12 (1) with a population of more than two million that  
13 is adjacent to a county with a population of more than one  
14 million; and

15 (2) in which a civil service system has been created  
16 under this subchapter.

17 (b) The commissioners court of a county may establish one  
18 or more supplemental commissions to assist the commission in  
19 administering the system.

20 (c) The commissioners court shall appoint three  
21 individuals to serve as members of each supplemental commission  
22 and shall designate one of the members as chair of the  
23 supplemental commission.

24 (d) Sections 158.008(b)-(e) apply to the appointment of a  
25 member of a supplemental commission in the same manner that  
26 those provisions apply to the appointment of a member of the  
27 commission.

28 SECTION \_\_. Section 158.009, Local Government Code, is  
29 amended to read as follows:



1       Sec. 158.009. POWERS OF THE COMMISSION AND SUPPLEMENTAL  
2 COMMISSIONS. (a) Except as provided by Subsection (a-1) and  
3 Section 158.010, the commission shall adopt, publish, and  
4 enforce rules regarding the following categories of matters:

- 5           (1) the definition of a county employee;
- 6           (2) selection and classification of county employees;
- 7           (3) competitive examinations;
- 8           (4) promotions, seniority, and tenure;
- 9           (5) layoffs and dismissals;
- 10          (6) disciplinary actions;
- 11          (7) grievance procedures; and
- 12          (8) other matters relating to the selection of county
- 13 employees and the procedural and substantive rights,
- 14 advancement, benefits, and working conditions of county
- 15 employees.

16       (a-1) Notwithstanding any other provision of this  
17 subchapter, a supplemental commission shall adopt, publish, or  
18 enforce a rule regarding a category of matters listed under  
19 Subsection (a) if the adoption, publication, or enforcement of  
20 the rule is specifically delegated by category to the  
21 supplemental commission by the commissioners court. If the  
22 commissioners court has established more than one supplemental  
23 commission, the commissioners court may not delegate the  
24 authority to adopt, publish, or enforce a rule regarding a  
25 category of matters listed under Subsection (a) to more than one  
26 of the supplemental commissions. The commission may not adopt,  
27 publish, or enforce a rule regarding a category of matters  
28 listed under Subsection (a) if the commissioners court has  
29 delegated that authority to a supplemental commission.

30       (b) The commission or a supplemental commission may adopt  
31 or use as a guide any civil service law or rule of the United

1 States, this state, or a political subdivision in this state to  
2 the extent that the law or rule promotes the purposes of this  
3 subchapter and serves the needs of the county.

4 (c) The commission or a supplemental commission may not  
5 adopt or enforce a rule requiring a county employee to retire  
6 because of age. The commission or a supplemental commission may  
7 adopt a rule requiring a county employee, on reaching an age set  
8 by the commission, to submit annually to the commission an  
9 affidavit from a physician stating that the employee is  
10 physically and mentally capable of continuing employment.

11 SECTION \_\_. Sections 158.0095(a) and (b), Local Government  
12 Code, are amended to read as follows:

13 (a) In a proceeding before the commission or a  
14 supplemental commission under this subchapter, the chair  
15 [chairman] of the commission or of the supplemental commission,  
16 as applicable, shall, on request of a person described by  
17 Subsection (b):

18 (1) administer oaths; and

19 (2) issue subpoenas and subpoenas duces tecum for the  
20 attendance of witnesses and for the production of documentary  
21 material.

22 (b) The affected employee, the county attorney, or a  
23 designee of the employee or county attorney may request the  
24 chair [chairman] of the commission or of the supplemental  
25 commission, as applicable, to subpoena any books, records,  
26 documents, papers, accounts, or witnesses that the requestor  
27 considers relevant to the case. The request must be made before  
28 the 15th day before the date the applicable [a] commission or  
29 supplemental commission proceeding will be held.

30 SECTION \_\_. Section 158.010(e), Local Government Code, is  
31 amended to read as follows:

1       (e) The rules adopted by the commission or a supplemental  
2 commission under Section 158.009 relating to the selection and  
3 classification of county employees and to competitive  
4 examinations for selection apply to the initial hiring of  
5 personnel under this section.

6       SECTION \_\_. Section 158.011, Local Government Code, is  
7 amended to read as follows:

8       Sec. 158.011. COMPENSATION AND STAFF. The members of the  
9 commission and of a supplemental commission serve without  
10 compensation, but the commissioners court shall reimburse each  
11 member for all necessary expenses incurred in performing the  
12 member's duties. The commissioners court shall provide the  
13 commission with adequate office space for the commission and  
14 each supplemental commission and sufficient funds to employ an  
15 adequate staff and to purchase necessary supplies and equipment.

16       SECTION \_\_. Section 158.012(a), Local Government Code, is  
17 amended to read as follows:

18       (a) A county employee who, on a final decision by the  
19 commission or a supplemental commission, is demoted, suspended,  
20 or removed from the employee's position may appeal the decision  
21 by filing a petition in a district court in the county within 30  
22 days after the date of the decision.

23       SECTION \_\_. Section 158.0121, Local Government Code, is  
24 amended to read as follows:

25       Sec. 158.0121. REVIEW UNDER SUBSTANTIAL EVIDENCE RULE. In  
26 an appeal under Section 158.012, the district court may not  
27 substitute its judgment for the judgment of the commission or a  
28 supplemental commission on the weight of the evidence on  
29 questions committed to the commission or supplemental  
30 commission's discretion but:

31       (1) may affirm the commission or supplemental

1 commission's decision in whole or in part; and

2 (2) shall reverse or remand the case for further  
3 proceedings if substantial rights of the petitioner have been  
4 prejudiced because the commission or supplemental commission's  
5 findings, inferences, conclusions, or decisions are:

6 (A) in violation of a constitutional or  
7 statutory provision;

8 (B) in excess of the commission or supplemental  
9 commission's authority;

10 (C) made through unlawful procedure;

11 (D) affected by other error of law;

12 (E) not reasonably supported by substantial  
13 evidence considering the reliable and probative evidence in the  
14 record as a whole; or

15 (F) arbitrary or capricious, characterized by  
16 abuse of discretion, or clearly an unwarranted exercise of  
17 discretion.

18 SECTION \_\_. Section 158.0122, Local Government Code, is  
19 amended to read as follows:

20 Sec. 158.0122. PROCEDURES FOR REVIEW UNDER SUBSTANTIAL  
21 EVIDENCE RULE. (a) After service of the petition on the  
22 commission or a supplemental commission and within the time  
23 permitted for filing an answer or within additional time allowed  
24 by the court, the commission or supplemental commission, as  
25 applicable, shall send to the reviewing court the original or a  
26 certified copy of the entire record of the proceeding under  
27 review. The record shall be filed with the clerk of the court.  
28 The record may be shortened by stipulation of all parties to the  
29 review proceedings. The court may assess additional costs  
30 against a party who unreasonably refuses to stipulate to limit  
31 the record, unless the party pays all costs of record

1 preparation. The court may require or permit later corrections  
2 or additions to the record.

3 (b) A party may apply to the court to present additional  
4 evidence. If the court is satisfied that the additional  
5 evidence is material and that there were good reasons for the  
6 failure to present it in the proceeding before the commission or  
7 supplemental commission, the court may order that the additional  
8 evidence be taken before the commission or supplemental  
9 commission, as applicable, on conditions determined by the  
10 court. The commission or supplemental commission, as  
11 applicable, may change its findings and decisions by reason of  
12 the additional evidence and shall file the additional evidence  
13 and any changes, new findings, or decisions with the reviewing  
14 court.

15 (c) The party seeking judicial review shall offer, and the  
16 reviewing court shall admit, the commission or supplemental  
17 commission record, as applicable, into evidence as an exhibit.

18 (d) The court shall conduct the review sitting without a  
19 jury and is confined to the commission or supplemental  
20 commission record, as applicable, except that the court may  
21 receive evidence of procedural irregularities alleged to have  
22 occurred before the commission or supplemental commission that  
23 are not reflected in the record.

24 SECTION \_\_. The heading to Section 158.0123, Local  
25 Government Code, is amended to read as follows:

26 Sec. 158.0123. COST OF PREPARING [~~COMMISSION~~] RECORD OF  
27 PROCEEDING.

28 SECTION \_\_. Section 158.0123(a), Local Government Code, is  
29 amended to read as follows:

30 (a) The commission or supplemental commission, as  
31 applicable, may require a party who appeals a final decision

1 under Section 158.012 to pay one-half of the cost of preparation  
2 of the original or a certified copy of the record of the  
3 [~~commission~~] proceeding that is required to be sent to the  
4 reviewing court.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 7

*Lately Shaw*  
Secretary of the Senate BY: *Don Hoffman*

Amend H.B. No. 4180 (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. (a) Each county board of education, board of county school trustees, and office of county school superintendent in a county with a population of 2.2 million or more and that is adjacent to a county with a population of more than 800,000 is abolished effective November 15, 2017, unless the continuation of the county board of education, board of county school trustees, and office of county school superintendent is approved by a majority of voters at an election held on the November 2017 uniform election date in the county in which the county board of education, board of county school trustees, and office of county school superintendent are located. Subsections (b)-(q) of this section do not take effect in a county if the continuation of the county board of education, board of county school trustees, and office of county school superintendent is approved at the election held in the county under this subsection.

(b) Not later than November 15, 2017, a dissolution committee shall be formed for each county board of education or board of county school trustees to be abolished as provided by Subsection (a) of this section. The dissolution committee is responsible for all financial decisions for each county board of education or board of county school trustees abolished by this Act, including asset distribution and payment of all debt obligations.

(c) A dissolution committee required by this Act shall be appointed by the comptroller and include:

(1) one financial advisor;

(2) the superintendent of the participating component school district with the largest number of students in average daily attendance or the superintendent's designee;

(3) one certified public accountant;

(4) one auditor who holds a license or other professional credential; and

(5) one bond counsel who holds a license or other professional credential.

(d) A dissolution committee created under this Act is subject to the open meetings requirements under Chapter 551, Government Code, and public information requirements under Chapter 552, Government Code.

(e) Members of a dissolution committee may not receive compensation but are entitled to reimbursement for actual and necessary expenses incurred in performing the functions of the dissolution committee.

(f) Subject to the other requirements of this Act, the dissolution committee shall determine the manner in which all assets, liabilities, contracts, and services of the county board of education or board of county school trustees abolished by this Act are divided, transferred, or discontinued. The dissolution committee shall create a sinking fund to deposit all money received in the abolishment of each county board of education or board of county school trustees for the payment of all debts of the county board of education or board of county school trustees.

(g) The dissolution committee shall continue providing transportation services to participating component school districts for the 2017-2018 school year. The dissolution committee shall



maintain current operations and personnel needed to provide the transportation services.

(h) At the end of the 2017-2018 school year all school buses, vehicles, and bus service centers shall be transferred to participating component school districts in proportionate shares equal to the proportion that the membership in each district bears to total membership in the county as of September 1, 2018, at no cost to the districts.

(i) The dissolution committee may employ for the 2017-2018 school year one person to assist in the abolishment of the county board of education or board of county school trustees.

(j) On November 15, 2017 the participating component school district with the largest number of students in average daily attendance has the right of first refusal to buy, at fair market value, the administrative building of the county board of education or board of county school trustees.

(k) An ad valorem tax assessed by a county board of education or board of county school trustees shall continue to be assessed by the county on behalf of the board for the purpose of paying the principal of and interest on any bonds issued by the county board of education or board of county school trustees until all bonds are paid in full. This subsection applies only to a bond issued before the effective date of this Act for which the tax receipts were obligated. On payment of all bonds issued by the county board of education or board of county school trustees the ad valorem tax may not be assessed.

(l) In the manner provided by rule of the commissioner of education, the county shall collect and use any delinquent taxes imposed by or on behalf of the county board of education or board

of county school trustees.

(m) The dissolution committee shall distribute the assets remaining after discharge of the liabilities of the county board of education or board of county school trustees to the component school districts in the county in proportionate shares equal to the proportion that the membership in each district bears to total membership in the county as of September 1, 2017. The dissolution committee shall liquidate board assets as necessary to discharge board liabilities and facilitate the distribution of assets. A person authorized by the dissolution committee shall execute any documents necessary to complete the transfer of assets, liabilities, or contracts.

(n) The dissolution committee shall encourage the component school districts to:

(1) continue sharing services received through the county board of education or board of county school trustees; and

(2) give preference to private sector contractors to continue services provided by the county board of education or board of county school trustees.

(o) The chief financial officer and financial advisor for the county board of education or board of county school trustees shall provide assistance to the dissolution committee in abolishing the county board of education or board of county school trustees.

(p) The Texas Education Agency shall provide assistance to a dissolution committee in the distribution of assets, liabilities, contracts, and services of a county board of education or board of county school trustees abolished by this Act.

(q) Any dissolution committee created as provided by this Act is abolished on the date all debt obligations of the county board

of education or board of county school trustees are paid in full and all assets distributed to component school districts.

(r) In an election held in a county as provided by Subsection (a) of this section, the ballot must include the following proposition: "Authorizing the continued operation of the county board of education, board of county school trustees, and office of county school superintendent in \_\_\_\_\_ County and collection of the \_\_\_\_\_ County School Equalization ad valorem tax."

SECTION \_\_\_\_\_. Chapter 266 (S.B. 394), Acts of the 40th Legislature, Regular Session, 1927 (Article 2700a, Vernon's Texas Civil Statutes), is repealed.

ADOPTED

VV

MAY 23 2017

FLOOR AMENDMENT NO.

8

*Latey Spaul*  
Secretary of the Senate

BY:

*Sindwell*

1 Amend C.S.H.B. No. 4180 by Coleman (Senate Committee  
2 Report) by inserting the following appropriately numbered  
3 SECTIONS to the bill and renumbering subsequent SECTIONS  
4 accordingly:

5 SECTION \_\_\_\_\_. Subtitle D, Title 4, Health and Safety Code,  
6 is amended by adding Chapter 298B to read as follows:

7 CHAPTER 298B. TARRANT COUNTY HOSPITAL DISTRICT HEALTH CARE

8 PROVIDER PARTICIPATION PROGRAM

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 298B.001. DEFINITIONS. In this chapter:

11 (1) "Board" means the board of hospital managers of  
12 the district.

13 (2) "District" means the Tarrant County Hospital  
14 District.

15 (3) "Institutional health care provider" means a  
16 nonpublic hospital located in the district that provides  
17 inpatient hospital services.

18 (4) "Paying provider" means an institutional health  
19 care provider required to make a mandatory payment under this  
20 chapter.

21 (5) "Program" means the health care provider  
22 participation program authorized by this chapter.

23 Sec. 298B.002. APPLICABILITY. This chapter applies only  
24 to the Tarrant County Hospital District.

25 Sec. 298B.003. HEALTH CARE PROVIDER PARTICIPATION PROGRAM;  
26 PARTICIPATION IN PROGRAM. The board may authorize the district  
27 to participate in a health care provider participation program  
28 on the affirmative vote of a majority of the board, subject to  
29 the provisions of this chapter.

1       Sec. 298B.004. EXPIRATION OF AUTHORITY. (a) Subject to  
2       Sections 298B.153(d) and 298B.154, the authority of the district  
3       to administer and operate a program under this chapter expires  
4       December 31, 2019.

5       (b) Subsection (a) does not affect the authority of the  
6       district to require and collect a mandatory payment under  
7       Section 298B.154 after December 31, 2019, if necessary.

8               SUBCHAPTER B. POWERS AND DUTIES OF BOARD

9       Sec. 298B.051. LIMITATION ON AUTHORITY TO REQUIRE  
10       MANDATORY PAYMENT. The board may require a mandatory payment  
11       authorized under this chapter by an institutional health care  
12       provider in the district only in the manner provided by this  
13       chapter.

14       Sec. 298B.052. RULES AND PROCEDURES. The board may adopt  
15       rules relating to the administration of the program, including  
16       collection of the mandatory payments, expenditures, audits, and  
17       any other administrative aspects of the program.

18       Sec. 298B.053. INSTITUTIONAL HEALTH CARE PROVIDER  
19       REPORTING. If the board authorizes the district to participate  
20       in a program under this chapter, the board shall require each  
21       institutional health care provider to submit to the district a  
22       copy of any financial and utilization data required by and  
23       reported to the Department of State Health Services under  
24       Sections 311.032 and 311.033 and any rules adopted by the  
25       executive commissioner of the Health and Human Services  
26       Commission to implement those sections.

27               SUBCHAPTER C. GENERAL FINANCIAL PROVISIONS

28       Sec. 298B.101. HEARING. (a) In each year that the board  
29       authorizes a program under this chapter, the board shall hold a  
30       public hearing on the amounts of any mandatory payments that the  
31       board intends to require during the year and how the revenue

1 derived from those payments is to be spent.

2 (b) Not later than the fifth day before the date of the  
3 hearing required under Subsection (a), the board shall publish  
4 notice of the hearing in a newspaper of general circulation in  
5 the district and provide written notice of the hearing to each  
6 institutional health care provider in the district.

7 Sec. 298B.102. DEPOSITORY. (a) If the board requires a  
8 mandatory payment authorized under this chapter, the board shall  
9 designate one or more banks as a depository for the district's  
10 local provider participation fund.

11 (b) All funds collected under this chapter shall be  
12 secured in the manner provided for securing other district  
13 funds.

14 Sec. 298B.103. LOCAL PROVIDER PARTICIPATION FUND;  
15 AUTHORIZED USES OF MONEY. (a) If the district requires a  
16 mandatory payment authorized under this chapter, the district  
17 shall create a local provider participation fund.

18 (b) The local provider participation fund consists of:

19 (1) all revenue received by the district attributable  
20 to mandatory payments authorized under this chapter;

21 (2) money received from the Health and Human Services  
22 Commission as a refund of an intergovernmental transfer under  
23 the program, provided that the intergovernmental transfer does  
24 not receive a federal matching payment; and

25 (3) the earnings of the fund.

26 (c) Money deposited to the local provider participation  
27 fund of the district may be used only to:

28 (1) fund intergovernmental transfers from the  
29 district to the state to provide the nonfederal share of  
30 Medicaid payments for:

31 (A) uncompensated care payments to nonpublic

hospitals affiliated with the district, if those payments are authorized under the Texas Healthcare Transformation and Quality Improvement Program waiver issued under Section 1115 of the federal Social Security Act (42 U.S.C. Section 1315);

(B) uniform rate enhancements for nonpublic hospitals in the Medicaid managed care service area in which the district is located;

(C) payments available under another waiver program authorizing payments that are substantially similar to Medicaid payments to nonpublic hospitals described by Paragraph (A) or (B); or

(D) any reimbursement to nonpublic hospitals for which federal matching funds are available;

(2) subject to Section 298B.151(d), pay the administrative expenses of the district in administering the program, including collateralization of deposits;

(3) refund a mandatory payment collected in error from a paying provider;

(4) refund to paying providers a proportionate share of the money that the district:

(A) receives from the Health and Human Services Commission that is not used to fund the nonfederal share of Medicaid supplemental payment program payments; or

(B) determines cannot be used to fund the nonfederal share of Medicaid supplemental payment program payments;

(5) transfer funds to the Health and Human Services Commission if the district is legally required to transfer the funds to address a disallowance of federal matching funds with respect to programs for which the district made intergovernmental transfers described by Subdivision (1); and

1           (6) reimburse the district if the district is  
2 required by the rules governing the uniform rate enhancement  
3 program described by Subdivision (1)(B) to incur an expense or  
4 forego Medicaid reimbursements from the state because the  
5 balance of the local provider participation fund is not  
6 sufficient to fund that rate enhancement program.

7           (d) Money in the local provider participation fund may not  
8 be commingled with other district funds.

9           (e) Notwithstanding any other provision of this chapter,  
10 with respect to an intergovernmental transfer of funds described  
11 by Subsection (c)(1) made by the district, any funds received by  
12 the state, district, or other entity as a result of that  
13 transfer may not be used by the state, district, or any other  
14 entity to:

15           (1) expand Medicaid eligibility under the Patient  
16 Protection and Affordable Care Act (Pub. L. No. 111-148) as  
17 amended by the Health Care and Education Reconciliation Act of  
18 2010 (Pub. L. No. 111-152); or

19           (2) fund the nonfederal share of payments to  
20 nonpublic hospitals available through the Medicaid  
21 disproportionate share hospital program or the delivery system  
22 reform incentive payment program.

#### 23           SUBCHAPTER D. MANDATORY PAYMENTS

24           Sec. 298B.151. MANDATORY PAYMENTS BASED ON PAYING PROVIDER  
25 NET PATIENT REVENUE. (a) Except as provided by Subsection (e),  
26 if the board authorizes a health care provider participation  
27 program under this chapter, the board may require an annual  
28 mandatory payment to be assessed on the net patient revenue of  
29 each institutional health care provider located in the district.  
30 The board may provide for the mandatory payment to be assessed  
31 quarterly. In the first year in which the mandatory payment is



1 required, the mandatory payment is assessed on the net patient  
2 revenue of an institutional health care provider as determined  
3 by the data reported to the Department of State Health Services  
4 under Sections 311.032 and 311.033 in the most recent fiscal  
5 year for which that data was reported. If the institutional  
6 health care provider did not report any data under those  
7 sections, the provider's net patient revenue is the amount of  
8 that revenue as contained in the provider's Medicare cost report  
9 submitted for the previous fiscal year or for the closest  
10 subsequent fiscal year for which the provider submitted the  
11 Medicare cost report. If the mandatory payment is required, the  
12 district shall update the amount of the mandatory payment on an  
13 annual basis.

14 (b) The amount of a mandatory payment authorized under  
15 this chapter must be uniformly proportionate with the amount of  
16 net patient revenue generated by each paying provider in the  
17 district as permitted under federal law. A health care provider  
18 participation program authorized under this chapter may not hold  
19 harmless any institutional health care provider, as required  
20 under 42 U.S.C. Section 1396b(w).

21 (c) If the board requires a mandatory payment authorized  
22 under this chapter, the board shall set the amount of the  
23 mandatory payment, subject to the limitations of this chapter.  
24 The aggregate amount of the mandatory payments required of all  
25 paying providers in the district may not exceed six percent of  
26 the aggregate net patient revenue from hospital services  
27 provided by all paying providers in the district.

28 (d) Subject to Subsection (c), if the board requires a  
29 mandatory payment authorized under this chapter, the board shall  
30 set the mandatory payments in amounts that in the aggregate will  
31 generate sufficient revenue to cover the administrative expenses

1 of the district for activities under this chapter and to fund an  
2 intergovernmental transfer described by Section 298B.103(c)(1).  
3 The annual amount of revenue from mandatory payments that shall  
4 be paid for administrative expenses by the district is \$150,000,  
5 plus the cost of collateralization of deposits, regardless of  
6 actual expenses.

7 (e) A paying provider may not add a mandatory payment  
8 required under this section as a surcharge to a patient.

9 (f) A mandatory payment assessed under this chapter is not  
10 a tax for hospital purposes for purposes of Section 4, Article  
11 IX, Texas Constitution, or Section 281.045.

12 Sec. 298B.152. ASSESSMENT AND COLLECTION OF MANDATORY  
13 PAYMENTS. (a) The district may designate an official of the  
14 district or contract with another person to assess and collect  
15 the mandatory payments authorized under this chapter.

16 (b) The person charged by the district with the assessment  
17 and collection of mandatory payments shall charge and deduct  
18 from the mandatory payments collected for the district a  
19 collection fee in an amount not to exceed the person's usual and  
20 customary charges for like services.

21 (c) If the person charged with the assessment and  
22 collection of mandatory payments is an official of the district,  
23 any revenue from a collection fee charged under Subsection (b)  
24 shall be deposited in the district general fund and, if  
25 appropriate, shall be reported as fees of the district.

26 Sec. 298B.153. PURPOSE; CORRECTION OF INVALID PROVISION OR  
27 PROCEDURE; LIMITATION OF AUTHORITY. (a) The purpose of this  
28 chapter is to authorize the district to establish a program to  
29 enable the district to collect mandatory payments from  
30 institutional health care providers to fund the nonfederal share  
31 of a Medicaid supplemental payment program or the Medicaid

1 managed care rate enhancements for nonpublic hospitals to  
2 support the provision of health care by institutional health  
3 care providers to district residents in need of health care.

4 (b) This chapter does not authorize the district to  
5 collect mandatory payments for the purpose of raising general  
6 revenue or any amount in excess of the amount reasonably  
7 necessary to fund the nonfederal share of a Medicaid  
8 supplemental payment program or Medicaid managed care rate  
9 enhancements for nonpublic hospitals and to cover the  
10 administrative expenses of the district associated with  
11 activities under this chapter.

12 (c) To the extent any provision or procedure under this  
13 chapter causes a mandatory payment authorized under this chapter  
14 to be ineligible for federal matching funds, the board may  
15 provide by rule for an alternative provision or procedure that  
16 conforms to the requirements of the federal Centers for Medicare  
17 and Medicaid Services. A rule adopted under this section may  
18 not create, impose, or materially expand the legal or financial  
19 liability or responsibility of the district or an institutional  
20 health care provider in the district beyond the provisions of  
21 this chapter. This section does not require the board to adopt a  
22 rule.

23 (d) The district may only assess and collect a mandatory  
24 payment authorized under this chapter if a waiver program,  
25 uniform rate enhancement, or reimbursement described by Section  
26 298B.103(c)(1) is available to the district.

27 Sec. 298B.154. FEDERAL DISALLOWANCE. Notwithstanding any  
28 other provision of this chapter, if the Centers for Medicare and  
29 Medicaid Services issues a disallowance of federal matching  
30 funds for a purpose for which intergovernmental transfers  
31 described by Section 298B.103(c)(1) were made and the Health and

1 Human Services Commission demands repayment from the district of  
2 federal funds paid to the district for that purpose, the  
3 district may require and collect mandatory payments from each  
4 paying provider that received those federal funds in an amount  
5 sufficient to satisfy the repayment demand made by the  
6 commission. The percentage limitation prescribed by Section  
7 298B.151(c) does not apply to a mandatory payment required under  
8 this section.

9       SECTION \_\_\_\_\_. As soon as practicable after the expiration  
10 of the authority of the Tarrant County Hospital District to  
11 administer and operate a health care provider participation  
12 program under Chapter 298B, Health and Safety Code, as added by  
13 this Act, the board of hospital managers of the Tarrant County  
14 Hospital District shall transfer to each institutional health  
15 care provider in the district that provider's proportionate  
16 share of any remaining funds in any local provider participation  
17 fund created by the district under Section 298B.103, Health and  
18 Safety Code, as added by this Act.

19       SECTION \_\_\_\_\_. If before implementing any provision of this  
20 Act a state agency determines that a waiver or authorization  
21 from a federal agency is necessary for implementation of that  
22 provision, the agency affected by the provision shall request  
23 the waiver or authorization and may delay implementing that  
24 provision until the waiver or authorization is granted.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 9

Secretary of the Senate

BY: Edna Lucio, Jr.

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_. Effective September 1, 2017, Section 4.003(f),  
5 Election Code, is amended to read as follows:

6 (f) A debt obligation election order required under  
7 Section 3.009 shall be posted:

8 (1) on election day and during early voting by  
9 personal appearance, in a prominent location at each polling  
10 place;

11 (2) not later than the 21st day before the election,  
12 in three public places in the boundaries of the political  
13 subdivision holding the election; and

14 (3) during the 21 days before the election, on the  
15 political subdivision's Internet website, prominently and  
16 together with the notice of the election, ~~and~~ the contents of  
17 the proposition, and any sample ballot prepared for the  
18 election, if the political subdivision maintains an Internet  
19 website.

20 SECTION \_\_. Effective September 1, 2017, Section 85.062,  
21 Election Code, is amended by adding Subsection (h) to read as  
22 follows:

23 (h) In an election at which a political subdivision  
24 submits a proposition to the voters to approve the issuance of  
25 general obligation bonds, the entity that establishes early  
26 voting polling places under this section may not establish the  
27 polling places with the intent to affect the outcome of the  
28 election.

29 SECTION \_\_. Effective September 1, 2017, Subtitle C, Title

9, Government Code, is amended by adding Chapter 1253 to read as follows:

CHAPTER 1253. GENERAL OBLIGATION BONDS ISSUED BY POLITICAL  
SUBDIVISIONS

Sec. 1253.001. DEFINITION. In this chapter, "political subdivision" means a county, municipality, school district, junior college district, other special district, or other subdivision of state government.

Sec. 1253.002. LIMITATION ON AUTHORITY TO ISSUE GENERAL OBLIGATION BONDS. (a) In this section, "improvement" and "personal property" have the meanings assigned by Section 1.04, Tax Code.

(b) Notwithstanding any other provision of law, a political subdivision may not issue general obligation bonds to purchase, improve, or construct improvements or to purchase personal property if the weighted average maturity of the issue of bonds to finance the improvements or personal property exceeds 120 percent of the reasonably expected weighted average economic life of the improvements or personal property financed with the issue of bonds.

Sec. 1253.003. USE OF UNSPENT GENERAL OBLIGATION BOND PROCEEDS. (a) A political subdivision may use the unspent proceeds of issued general obligation bonds only:

(1) for the specific purposes for which the bonds were authorized;

(2) to retire the bonds; or

(3) for a purpose other than the specific purposes for which the bonds were authorized if:

(A) the specific purposes are accomplished or abandoned; and

(B) a majority of the votes cast in an election

1 held in the political subdivision approve the use of the  
2 proceeds for the proposed purpose.

3 (b) The election order and the notice of election for an  
4 election described by Subsection (a)(3)(B) must state the  
5 proposed purpose for which the bond proceeds are to be used.

6 (c) A political subdivision must hold an election  
7 described by Subsection (a)(3)(B) in the same manner as an  
8 election to issue bonds in the political subdivision.

9 SECTION \_\_. Effective September 1, 2017, Chapter 1332,  
10 Government Code, is repealed.

11 SECTION \_\_. Section 1253.002, Government Code, as added by  
12 this Act, applies only to a general obligation bond authorized  
13 to be issued at an election held on or after September 1, 2017.

ADOPTED

MAY 23 2017

*Adair Lucio, Jr.*  
Secretary of the Senate

FLOOR AMENDMENT NO. 10

Amend C.S.H.B. No. 4180 (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering SECTIONS of the bill accordingly:

SECTION \_\_. Effective September 1, 2017, Chapter 344, Health and Safety Code, is amended by designating Sections 344.001 through 344.007 as Subchapter A and adding a subchapter heading to read as follows:

SUBCHAPTER A. ESTABLISHMENT, OPERATION, AND DISSOLUTION OF  
MOSQUITO CONTROL DISTRICTS

SECTION \_\_. Effective September 1, 2017, Chapter 344, Health and Safety Code, is amended by adding Subchapter B to read as follows:

SUBCHAPTER B. ESTABLISHMENT OF URGENT PUBLIC HEALTH MOSQUITO  
CONTROL DISTRICTS AND URGENT PUBLIC HEALTH CENTERS

Sec. 344.051. DEFINITION. In this subchapter,  
"department" means the Department of State Health Services.

Sec. 344.052. LEGISLATIVE FINDINGS. The legislature finds  
that:

(1) scientists have concluded the Zika virus is a  
cause for microcephaly and other severe fetal brain defects;

(2) the department has reported that counties in the  
Gulf Coast region and on the international border with Mexico  
are at the highest risk in this state of developing localized  
cases of the Zika virus;

(3) Cameron County, which is located on the  
international border with Mexico, has had as of December 2016 at  
least five documented cases of locally transmitted Zika virus;

(4) the powers of a mosquito control district may be  
effective in combating the increased risk of transmission of the



1 Zika virus; and

2 (5) there is an urgent public health purpose for  
3 establishing a mosquito control district in Cameron and Hidalgo  
4 Counties and other high-risk counties to contain, eradicate, and  
5 treat problems associated with communicable diseases, including  
6 the Zika virus, the dengue virus, and the chikungunya virus,  
7 that are carried by mosquitoes.

8 Sec. 344.053. APPLICABILITY. (a) This subchapter applies  
9 only to a county located on the international border with  
10 Mexico:

11 (1) for which the department has documented a locally  
12 transmitted case of the Zika virus; or

13 (2) that is adjacent to a county described by  
14 Subdivision (1).

15 (b) Except as otherwise provided by this subchapter,  
16 Subchapter A applies to an urgent public health mosquito control  
17 district established under this subchapter.

18 Sec. 344.054. ESTABLISHMENT. The commissioners court of  
19 or the county judge of a county described by Section 344.053 may  
20 order an election under Section 344.001 for the establishment of  
21 an urgent public health mosquito control district on a  
22 resolution by the commissioners court or an order by the county  
23 judge stating that an urgent public health purpose requires  
24 establishment of the district.

25 Sec. 344.055. DUTIES OF COUNTY ESTABLISHING DISTRICT. A  
26 county that establishes an urgent public health mosquito control  
27 district under this subchapter shall:

28 (1) conduct surveillance of vectors carrying  
29 communicable disease;

30 (2) address the capacity of the county public health  
31 infrastructure, including by:

1                   (A) establishing and operating communicable  
2 disease and illness identification laboratories;

3                   (B) training and hiring public health personnel  
4 and research fellows;

5                   (C) matching state, federal, and private  
6 initiatives and efforts aimed at addressing and mitigating  
7 health and environmental conditions that contribute to the  
8 breeding, development, and spread of vectors carrying  
9 communicable disease;

10                  (D) testing county residents for communicable  
11 diseases and providing medical treatment to county residents who  
12 have communicable diseases; and

13                  (E) funding prevention measures and initiatives  
14 to protect county residents from vectors carrying communicable  
15 disease; and

16                  (3) address the prevention and spread of vectors  
17 carrying communicable disease by funding efforts to inform  
18 people about the prevention and spread through community  
19 campaigns and regional information efforts.

20                  Sec. 344.056. SPECIAL PUBLIC HEALTH ADVISORY COMMITTEE.

21                  (a) In this section, "committee" means the special public  
22 health advisory committee established under this section.

23                  (b) Notwithstanding Section 344.004, the commissioners  
24 court of a county that establishes an urgent public health  
25 mosquito control district under this subchapter shall establish  
26 a special public health advisory committee.

27                  (c) The commissioners court shall appoint seven members to  
28 the committee as follows:

29                   (1) one member who is the county public health  
30 administrator;

31                   (2) three members who are public health

1 administrators at the executive director level in the most  
2 populated municipalities in the county; and

3 (3) three members who are property taxpaying voters  
4 of the county.

5 (d) The commissioner of state health services shall  
6 appoint one delegate to serve as a nonvoting, ex officio member  
7 of the committee.

8 (e) The county judge shall designate one committee member  
9 appointed under Subsection (c) as the presiding officer of the  
10 committee. The committee meets at the call of the presiding  
11 officer.

12 (f) A committee member serves without compensation.

13 (g) A committee member must take an oath of office  
14 prescribed by the commissioners court.

15 (h) The committee shall:

16 (1) make written recommendations to the commissioners  
17 court that the committee considers necessary to:

18 (A) address the urgent public health purpose of  
19 the mosquito control district established under this subchapter;  
20 and

21 (B) implement the district's duties; and

22 (2) perform any other duty assigned to the committee  
23 by the commissioners court.

24 Sec. 344.057. MOSQUITO CONTROL PERSONNEL. The  
25 commissioners court of a county that establishes an urgent  
26 public health mosquito control district under this subchapter  
27 may appoint:

28 (1) a mosquito control engineer as provided by  
29 Section 344.005; or

30 (2) any other public health professional the  
31 commissioners court determines is necessary to carry out the

1 duties of the district and to address the recommendations of the  
2 special public health advisory committee established under  
3 Section 344.056.

4 Sec. 344.058. URGENT PUBLIC HEALTH CENTER. (a) The  
5 department may establish an urgent public health center in a  
6 county that has established an urgent public health mosquito  
7 control district under this subchapter if:

8 (1) the county has at least one locally transmitted  
9 case of the Zika virus;

10 (2) the department determines that federal funds are  
11 available to assist local communities in controlling  
12 communicable diseases, including diseases caused by vectors that  
13 carry the Zika virus;

14 (3) the county or a municipality wholly or partly  
15 located in the county donates land to the department for the  
16 purpose of establishing the center; and

17 (4) the county or a municipality wholly or partly  
18 located in the county provides matching funds for the purpose of  
19 establishing the center.

20 (b) The department may establish only one urgent public  
21 health center for each public health region containing an urgent  
22 public health mosquito control district established under this  
23 subchapter.

24 (c) An urgent public health center established under this  
25 section for a county with an urgent public health mosquito  
26 control district established under this subchapter may:

27 (1) assist the county in fulfilling the county's  
28 duties under Section 344.055;

29 (2) provide a central repository of vector control  
30 resources for municipalities wholly or partly located in the  
31 county or a county adjacent to the county;

1           (3)       develop local surveillance, outreach, and  
2 response campaigns to address communicable disease and potential  
3 vectors carrying communicable disease;

4           (4)       provide local, regional, and international  
5 health-related briefings;

6           (5)       cooperate with local, regional, state, and  
7 international officials to:

8               (A)     increase environmental awareness to reduce  
9 sources for vector development; and

10            (B)     develop recommendations for implementing  
11 nuisance abatement policies;

12           (6)     with the assistance of appropriate authorities,  
13 facilitate any necessary method of vector control, including  
14 trapping, adulticiding, and larviciding of vector populations  
15 along the international border;

16           (7)     provide to health care professionals current  
17 information, including health advisories and guidance with  
18 communicable disease case management, regarding communicable  
19 disease and potential vectors carrying communicable disease;

20           (8)     in cooperation with state, federal, and  
21 international partners, educate and provide health care  
22 screenings to populations at high risk of contracting a  
23 communicable disease and that are traditionally difficult to  
24 contact; and

25           (9)     facilitate information sharing between local,  
26 state, and international entities.

ADOPTED

MAY 23 2017

*Letay Saw*  
Secretary of the Senate

FLOOR AMENDMENT NO. 11

BY: *Brian Sidwell*

Amend C.S.H.B. No. 4180 by Coleman (Senate Committee Report) by inserting the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS accordingly:

SECTION \_\_\_\_\_. Subchapter B, Chapter 225, Transportation Code, is amended by adding Section 225.123 to read as follows:

Sec. 225.123. NAVARRO COUNTY VIETNAM MEMORIAL LOOP. (a) The portion of State Highway 31 under construction as of September 1, 2017, as a relief route around Corsicana, in Navarro County is designated as the Navarro County Vietnam Memorial Loop.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Navarro County Vietnam Memorial Loop and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

ADOPTED

MAY 23 2017

*Letay Spaw*  
Secretary of the Senate

FLOOR AMENDMENT NO. 12

BY: Uresti

Amend C.S.H.B. No. 4180 (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 46.15, Penal Code, is amended by adding Subsection (h) to read as follows:

(h) The provisions of Sections 46.02 and 46.03 prohibiting the possession or carrying of a club do not apply to a code enforcement officer who:

(1) holds a certificate of registration issued under Chapter 1952, Occupations Code; and

(2) possesses or carries an instrument used specifically for deterring the bite of an animal while the officer is:

(A) performing official duties; or

(B) traveling to or from a place of duty.

SECTION \_\_\_\_\_. Section 1952.051, Occupations Code, as effective September 1, 2017, is amended by adding Subsection (c) to read as follows:

(c) The education requirements adopted under Subsection (b) must include education regarding the principles and procedures to be followed when possessing or carrying an instrument used specifically for deterring the bite of an animal.

ADOPTED

MAY 23 2017

*Letay Spaw*  
Secretary of the Senate

BY: *D. Bucking*

FLOOR AMENDMENT NO. 13

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_. Effective January 1, 2018, Section 25.25(e),  
5 Tax Code, is amended to read as follows:

6 (e) If the chief appraiser and the property owner do not  
7 agree to the correction before the 15th day after the date the  
8 motion is filed, a party bringing a motion under Subsection (c)  
9 or (d) is entitled on request to a hearing on and a  
10 determination of the motion by the appraisal review board. A  
11 party bringing a motion under this section must describe the  
12 error or errors that the motion is seeking to correct. Not  
13 later than 15 days before the date of the hearing, the board  
14 shall deliver written notice of the date, time, and place of the  
15 hearing to the chief appraiser, the property owner, and the  
16 presiding officer of the governing body of each taxing unit in  
17 which the property is located. The chief appraiser, the  
18 property owner, and each taxing unit are entitled to present  
19 evidence and argument at the hearing and to receive written  
20 notice of the board's determination of the motion. The property  
21 owner is entitled to elect to present the owner's evidence and  
22 argument before, after, or between the cases presented by the  
23 chief appraiser and each taxing unit. A property owner who  
24 files the motion must comply with the payment requirements of  
25 Section 25.26 or forfeit the right to a final determination of  
26 the motion.

27 SECTION \_\_. Effective January 1, 2018, Section 41.66(b),  
28 Tax Code, is amended to read as follows:



1 (b) Hearing procedures to the greatest extent practicable  
2 shall be informal. Each party to a hearing is entitled to offer  
3 evidence, examine or cross-examine witnesses or other parties,  
4 and present argument on the matters subject to the hearing. A  
5 property owner who is a party to a protest is entitled to elect  
6 to present the owner's case at a hearing on the protest either  
7 before or after the appraisal district presents the district's  
8 case.

9 SECTION \_\_. Section 25.25, Tax Code, as amended by this  
10 Act, applies only to a motion to correct an appraisal roll filed  
11 on or after January 1, 2018.

12 SECTION \_\_. Section 41.66, Tax Code, as amended by this  
13 Act, applies only to a protest for which the notice of protest  
14 was filed by a property owner or the designated agent of the  
15 owner with the appraisal review board established for an  
16 appraisal district on or after January 1, 2018.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 14

*Letay Law* BY: *Lucio*  
Secretary of the Senate

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_\_. Section 3.009, Election Code, is amended to  
5 read as follows:

6 Sec. 3.009. CONTENTS OF DEBT OBLIGATION ELECTION ORDER.

7 (a) In this section, "debt obligation" means an issued public  
8 security, as defined by Section 1201.002, Government Code, that  
9 is secured by and payable from ad valorem taxes. The term does  
10 not include public securities that are designated as self-  
11 supporting by the political subdivision issuing the securities.

12 (b) The document ordering an election to authorize a  
13 political subdivision to issue debt obligations must distinctly  
14 state:

15 (1) the proposition language that will appear on the  
16 ballot;

17 (2) the purpose for which the debt obligations are to  
18 be authorized;

19 (3) the principal amount of the debt obligations to  
20 be authorized;

21 (4) that taxes sufficient to pay the ~~[annual]~~  
22 principal of and interest on the debt obligations may be  
23 imposed;

24 (5) a statement of the estimated tax rate if the debt  
25 obligations are authorized or of the maximum interest rate of  
26 the debt obligations or any series of the debt obligations,  
27 based on the market conditions at the time of the election  
28 order;

29 (6) the maximum maturity date of the debt obligations

1 to be authorized or that the debt obligations may be issued to  
2 mature over a specified number of years not to exceed the  
3 maximum number of years authorized by law [40];

4 (7) the aggregate amount of the outstanding principal  
5 of the political subdivision's debt obligations as of the date  
6 ~~[beginning of the political subdivision's fiscal year in which]~~  
7 the election is ordered;

8 (8) the aggregate amount of the outstanding interest  
9 on debt obligations of the political subdivision as of the date  
10 ~~[beginning of the political subdivision's fiscal year in which]~~  
11 the election is ordered, which may be based on the expectations  
12 of the political subdivision as it relates to variable rate debt  
13 obligations; and

14 (9) the ad valorem debt service tax rate for the  
15 political subdivision at the time the election is ordered,  
16 expressed as an amount per \$100 valuation of taxable property.

17 SECTION \_\_. Section 52.072, Election Code, is amended by  
18 amending Subsection (e) and adding Subsection (f) to read as  
19 follows:

20 (e) In addition to any other requirement imposed by law  
21 for a proposition, including a provision prescribing the  
22 proposition language, a proposition submitted to the voters for  
23 approval of ~~[the issuance of bonds or]~~ the imposition, increase,  
24 or reduction of a tax shall specifically state, as applicable:

25 (1) ~~[with respect to a proposition seeking voter~~  
26 ~~approval of the issuance of bonds;~~

27 ~~[(A) the total principal amount of the bonds to~~  
28 ~~be authorized, if approved; and~~

29 ~~[(B) a general description of the purposes for~~  
30 ~~which the bonds are to be authorized, if approved;~~

31 ~~[(2)]~~ with respect to a proposition that only seeks

1 voter approval of the imposition or increase of a tax, the  
2 amount of or maximum tax rate of the tax or tax increase for  
3 which approval is sought; or

4 (2) [~~(3)~~] with respect to a proposition that only  
5 seeks voter approval of the reduction of a tax, the amount of  
6 tax rate reduction or the tax rate for which approval is sought.

7 (f) A political subdivision that submits to the voters a  
8 proposition for the approval of the issuance of debt obligations  
9 shall prescribe the wording of the proposition that is to appear  
10 on the ballot in accordance with the requirements of Subchapter  
11 B, Chapter 1251, Government Code. In this subsection, "debt  
12 obligation" and "political subdivision" have the meanings  
13 assigned by Section 1251.051, Government Code.

14 SECTION \_\_\_\_ Chapter 1251, Government Code, is amended by  
15 designating Sections 1251.001, 1251.003, 1251.004, 1251.005, and  
16 1251.006 as Subchapter A and adding a subchapter heading to read  
17 as follows:

18 SUBCHAPTER A. PROVISIONS RELATING GENERALLY TO BOND ELECTIONS

19 SECTION \_\_\_\_ Chapter 1251, Government Code, is amended by  
20 adding Subchapter B to read as follows:

21 SUBCHAPTER B. BALLOT FOR DEBT OBLIGATIONS ISSUED BY POLITICAL  
22 SUBDIVISION

23 Sec. 1251.051. DEFINITIONS. In this subchapter:

24 (1) "Debt obligation" means a public security as  
25 defined by Section 1201.002 secured by and payable from ad  
26 valorem taxes. The term does not include public securities that  
27 are designated as self-supporting by the political subdivision  
28 issuing the securities.

29 (2) "Debt obligation election order" means the order,  
30 ordinance, or resolution ordering an election to authorize the  
31 issuance of debt obligations.

1           (3) "Political subdivision" means a municipality,  
2 county, school district, or special taxing district.

3           Sec. 1251.052. FORM. (a) The ballot for a measure  
4 seeking voter approval of the issuance of debt obligations by a  
5 political subdivision shall specifically state:

6           (1) a general description of the purposes for which  
7 the debt obligations are to be authorized;

8           (2) the total principal amount of the debt  
9 obligations to be authorized; and

10           (3) that taxes sufficient to pay the principal of and  
11 interest on the debt obligations will be imposed.

12           (b) In addition to the requirements of Subsection (a), the  
13 ballot for a measure seeking voter approval of the issuance of  
14 debt obligations by a political subdivision with at least 250  
15 registered voters on the date the governing body of the  
16 political subdivision adopts the debt obligation election order  
17 shall specifically state the estimated maximum annual increase  
18 in the amount of taxes that would be imposed on a residence  
19 homestead in the political subdivision with an appraised value  
20 of \$100,000 to repay the debt obligations to be authorized, if  
21 approved, based upon assumptions made by the governing body of  
22 the political subdivision.

23           (c) The governing body of the political subdivision shall  
24 identify in the debt obligation election order the major  
25 assumptions made in connection with the statement required by  
26 Subsection (b), including:

27           (1) the amortization of the political subdivision's  
28 debt obligations, including outstanding debt obligations and the  
29 proposed debt obligations;

30           (2) changes in estimated future appraised values  
31 within the political subdivision; and

1           (3) the assumed interest rate on the proposed debt  
2 obligations.

3           (d) A political subdivision with at least 250 registered  
4 voters on the date the governing body of the political  
5 subdivision adopts the debt obligation election order must  
6 prepare a voter information document for each proposition to be  
7 voted on at the election. The political subdivision shall post  
8 the voter information document in the same manner as a debt  
9 obligation election order is required to be posted under Section  
10 4.003(f), Election Code, and may include the voter information  
11 document in the debt obligation election order. The voter  
12 information document must distinctly state:

13               (1) the language that will appear on the ballot;

14               (2) the following information formatted as a table:

15                       (A) the principal of the debt obligations to be  
16 authorized;

17                       (B) the estimated interest for the debt  
18 obligations to be authorized;

19                       (C) the estimated combined principal and  
20 interest required to pay on time and in full the debt  
21 obligations to be authorized; and

22                       (D) as of the date the political subdivision  
23 adopts the debt obligation election order:

24                               (i) the principal of all outstanding debt  
25 obligations of the political subdivision;

26                               (ii) the estimated remaining interest on  
27 all outstanding debt obligations of the political subdivision,  
28 which may be based on the expectations of the political  
29 subdivision as it relates to the interest due on any variable  
30 rate debt obligations; and

31                               (iii) the estimated combined principal and

1 interest required to pay on time and in full all outstanding  
2 debt obligations of the political subdivision, which may be  
3 based on the expectations of the political subdivision as it  
4 relates to the interest due on any variable rate debt  
5 obligations; and

6 (3) any other information that the political  
7 subdivision considers relevant or necessary to explain the  
8 information required by this subsection.

9 (e) A political subdivision that maintains an Internet  
10 website shall provide the information described by Subsection  
11 (d) on its website in an easily accessible manner beginning not  
12 later than the 21st day before election day and ending on the  
13 day after the date of the debt obligation election.

14 (f) This section provides the ballot proposition language  
15 for an election to authorize the issuance of debt obligations by  
16 a political subdivision. To the extent of a conflict between  
17 this section and another law, this section controls.

18 SECTION \_\_. Section 271.049, Local Government Code, is  
19 amended by amending Subsections (a) and (b) and adding  
20 Subsection (e) to read as follows:

21 (a) Regardless of the sources of payment of certificates,  
22 certificates may not be issued unless the issuer publishes  
23 notice of its intention to issue the certificates. The notice  
24 must be published:

25 (1) once a week for two consecutive weeks in a  
26 newspaper, as defined by Subchapter C, Chapter 2051, Government  
27 Code, that is of general circulation in the area of the issuer,  
28 with the date of the first publication to be before the 45th  
29 [30th] day before the date tentatively set for the passage of  
30 the order or ordinance authorizing the issuance of the  
31 certificates; and

1           (2) if the issuer maintains an Internet website,  
2 continuously on the issuer's website for at least 45 days before  
3 the date tentatively set for the passage of the order or  
4 ordinance authorizing the issuance of the certificates.

5           (b) The notice must state:

6           (1) the time and place tentatively set for the  
7 passage of the order or ordinance authorizing the issuance of  
8 the certificates;

9           (2) the ~~[maximum amount and]~~ purpose of the  
10 certificates to be authorized; ~~[and]~~

11           (3) the manner in which the certificates will be paid  
12 for, whether by taxes, revenues, or a combination of the two;

13           (4) the following:

14           (A) the then-current principal of all  
15 outstanding debt obligations of the issuer;

16           (B) the then-current combined principal and  
17 interest required to pay all outstanding debt obligations of the  
18 issuer on time and in full, which may be based on the  
19 expectations of the issuer as it relates to the interest due on  
20 any variable rate debt obligations;

21           (C) the maximum principal amount of the  
22 certificates to be authorized; and

23           (D) the estimated combined principal and  
24 interest required to pay the certificates to be authorized on  
25 time and in full;

26           (5) the estimated interest rate for the certificates  
27 to be authorized or that the maximum interest rate for the  
28 certificates may not exceed the maximum legal interest rate; and

29           (6) the maximum maturity date of the certificates to  
30 be authorized.

31           (e) In this section, "debt obligation" means a public



1 security, as defined by Section 1201.002, Government Code,  
2 secured by and payable from ad valorem taxes. The term does not  
3 include public securities that are designated as self-supporting  
4 by the political subdivision issuing the securities.

5 SECTION \_\_. Section 1251.002, Government Code, is  
6 repealed.

7 SECTION \_\_. (a) The changes in law made by this Act to  
8 Chapter 1251, Government Code, apply only to a ballot for an  
9 election ordered on or after the effective date of this Act. An  
10 election ordered before the effective date of this Act is  
11 governed by the law in effect when the election was ordered, and  
12 the former law is continued in effect for that purpose.

13 (b) The changes in law made by this Act to Section  
14 271.049, Local Government Code, apply only to a certificate of  
15 obligation for which the first notice of intention to issue the  
16 certificate is made on or after the effective date of this Act.  
17 A certificate of obligation for which the first notice of  
18 intention to issue the certificate is made before the effective  
19 date of this Act is governed by the law in effect when the  
20 notice of intention is made, and the former law is continued in  
21 effect for that purpose.

FLOOR AMENDMENT NO.

ADOPTED

MAY 23 2017

BY:

*D. Burlingame*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTION to the bill and  
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_\_. (a) The heading to Chapter 7913, Special  
5 District Local Laws Code, is amended to read as follows:

6 CHAPTER 7913. HIGHWAY 71 [~~BURNET COUNTY~~] MUNICIPAL UTILITY  
7 DISTRICT [~~NO. 1~~]

8 (b) Section 7913.001(4), Special District Local Laws Code,  
9 is amended to read as follows:

10 (4) "District" means the Highway 71 [~~Burnet County~~]  
11 Municipal Utility District [~~No. 1~~].

12 (c) The legislature validates and confirms the creation  
13 of the Highway 71 Municipal Utility District and all acts and  
14 proceedings of the district under that name or as the Burnet  
15 County Municipal Utility District No. 1 that were taken before  
16 the effective date of this Act, including all elections  
17 conducted by the district.

18 (d) Subsection (c) of this section does not apply to any  
19 matter that on the effective date of this Act:

20 (1) is involved in litigation if the litigation  
21 ultimately results in the matter being held invalid by a final  
22 judgment of a court; or

23 (2) has been held invalid by a final judgment of a  
24 court.

25 (e) A reference in law to the Burnet County Municipal  
26 Utility District No. 1 means the Highway 71 Municipal Utility  
27 District.

ADOPTED

FLOOR AMENDMENT NO. 16

MAY 23 2017 BY: Jose Rodriguez

Atty. General  
Secretary of the Senate

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_. Effective January 1, 2018, Section 232.008(h),  
5 Local Government Code, is amended to read as follows:

6 (h) Regardless of the date land is subdivided or a plat is  
7 filed for a subdivision, the commissioners court may deny a  
8 cancellation under this section if the commissioners court  
9 determines the cancellation will prevent the proposed  
10 interconnection of infrastructure to pending or existing  
11 development as defined by Section 232.0395 [~~232.0085~~].

12 SECTION \_\_. Effective January 1, 2018, Section 232.0085,  
13 Local Government Code, is transferred to Subchapter B, Chapter  
14 232, Local Government Code, redesignated as Section 232.0395,  
15 Local Government Code, and amended to read as follows:

16 Sec. 232.0395 [~~232.0085~~]. CANCELLATION OF CERTAIN  
17 SUBDIVISIONS IF LAND REMAINS UNDEVELOPED. (a) This section  
18 applies only to real property located in the unincorporated area  
19 of ÷

20 [~~(1) outside municipalities and the extraterritorial~~  
21 ~~jurisdiction of municipalities, as determined under Chapter 42;~~  
22 ~~and~~

23 [~~(2) in~~] an affected county, as defined by Section  
24 16.341, Water Code, that:

25 (1) has adopted the model rules developed under  
26 Section 16.343, Water Code; [7] and

27 (2) is located along an international border.

28 (b) The commissioners court of a county may cancel, after  
29 notice and a hearing as required by this section, a subdivision

1 for which the plat was filed and approved before September 1,  
2 1989, if:

3 (1) the development of or the making of improvements  
4 in the subdivision was not begun before June 5, 1995 [~~the~~  
5 ~~effective date of this section~~]; and

6 (2) the commissioners court by resolution has made a  
7 finding that the land in question is likely to be developed as a  
8 colonia.

9 (c) The commissioners court must publish notice of a  
10 proposal to cancel a subdivision under this section and the time  
11 and place of the required hearing in a newspaper of general  
12 circulation in the county for at least 21 days immediately  
13 before the date a cancellation order is adopted under this  
14 section. The county tax assessor-collector shall, not later  
15 than the 14th day before the date of the hearing, deposit with  
16 the United States Postal Service a similar notice addressed to  
17 each owner of land in the subdivision, as determined by the most  
18 recent county tax roll.

19 (d) At the hearing, the commissioners court shall permit  
20 any interested person to be heard. At the conclusion of the  
21 hearing, the court shall adopt an order on whether to cancel the  
22 subdivision. The commissioners court may adopt an order  
23 canceling a subdivision if the court determines the cancellation  
24 is in the best interest of the public. The court may not adopt  
25 an order canceling a subdivision if:

26 (1) the cancellation interferes with the established  
27 rights of a person who is a nondeveloper owner and owns any part  
28 of the subdivision, unless the person agrees to the  
29 cancellation; or

30 (2) the owner of the entire subdivision is able to  
31 show that:

1 (A) the owner of the subdivision is able to  
2 comply with the minimum state standards and model political  
3 subdivision rules developed under Section 16.343, Water Code,  
4 including any bonding requirements; or

5 (B) the land was developed or improved within  
6 the period described by Subsection (b).

7 (e) The commissioners court shall file the cancellation  
8 order for recording in the deed records of the county. After  
9 the cancellation order is filed and recorded, the property shall  
10 be treated as if it had never been subdivided, and the county  
11 chief appraiser shall assess the property accordingly. Any  
12 liens against the property shall remain against the property as  
13 it was previously subdivided.

14 (f) In this section:

15 (1) "Development" means the making, installing, or  
16 constructing of buildings and improvements.

17 (2) "Improvements" means water supply, treatment, and  
18 distribution facilities; wastewater collection and treatment  
19 facilities; and other utility facilities. The term does not  
20 include roadway facilities.

21 (3) "Nondeveloper owner" means a person who:

22 (A) owns one or more lots in a subdivision to be  
23 occupied as the owner's personal residence; and

24 (B) has not participated and does not  
25 participate in the marketing, promotion, or offering of lots for  
26 sale or lease as part of a common promotional plan in the  
27 ordinary course of business.

28 SECTION \_\_. Effective January 1, 2018, Subchapter B,  
29 Chapter 232, Local Government Code, is amended by adding Section  
30 232.045 to read as follows:

31 Sec. 232.045. APPLICABILITY OF INFRASTRUCTURE REQUIREMENTS

1 TO LOTS UNDEVELOPED FOR 25 YEARS OR MORE. (a) This section  
2 applies only to a county with a population of more than 800,000  
3 that is adjacent to an international border.

4 (b) A commissioners court by order may implement a  
5 process:

6 (1) applicable to a subdivision in which 50 percent  
7 or more of the lots are undeveloped or unoccupied on or after  
8 the 25th anniversary of the date the plat for the subdivision  
9 was recorded with the county; and

10 (2) through which the county, to the extent  
11 practicable, may apply to the subdivision more current street,  
12 road, drainage, and other infrastructure requirements.

13 (c) A regulation or standard adopted by a county under  
14 this section must be no less stringent than the minimum  
15 standards and other requirements under the model rules for safe  
16 and sanitary water supply and sewer services adopted under  
17 Section 16.343, Water Code, and any other minimum public safety  
18 standards that would otherwise be applicable to the subdivision.

19 (d) A regulation or standard adopted by a county under  
20 this section applies only to a lot that is owned by an  
21 individual, firm, corporation, or other legal entity that  
22 directly or indirectly offers lots for sale or lease as part of  
23 a common promotional plan in the ordinary course of business,  
24 and each regulation or standard must expressly state that  
25 limitation. For the purposes of this subsection, "common  
26 promotional plan" means a plan or scheme of operation undertaken  
27 by a person or a group acting in concert, either personally or  
28 through an agent, to offer for sale or lease more than two lots  
29 when the land is:

30 (1) contiguous or part of the same area of land; or

31 (2) known, designated, or advertised as a common unit

1 or by a common name.

2       SECTION \_\_\_\_\_. A county may not apply an order adopted under  
3 Section 232.045, Local Government Code, as added by this Act, to  
4 a subdivision that is the subject of a judicial proceeding  
5 pending on May 1, 2017, to determine whether the subdivision is  
6 subject to a valid and existing subdivision plat.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 17

*Latoy Spaw*  
Secretary of the Senate

BY *D. Burling*

1 Amend CSH.B. No. 4180 by adding the following  
2 appropriately numbered SECTIONS to the bill and renumbering  
3 subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_ . Article 47.01a, Code of Criminal Procedure,  
5 is amended by amending Subsections (a) and (d) and adding  
6 Subsection (e) to read as follows:

7 (a) If a criminal action relating to allegedly stolen  
8 property is not pending, a district judge, county court judge,  
9 statutory county court judge, or justice of the peace having  
10 jurisdiction as a magistrate in the county in which the property  
11 is held or in which the property was alleged to have been stolen  
12 or a municipal judge having jurisdiction as a magistrate in the  
13 municipality in which the property is being held or in which the  
14 property was alleged to have been stolen may hold a hearing to  
15 determine the right to possession of the property, upon the  
16 petition of an interested person, a county, a city, or the  
17 state. Jurisdiction under this article [~~section~~] is based  
18 solely on jurisdiction as a criminal magistrate under this code  
19 and not jurisdiction as a civil court. The court shall:

20 (1) order the property delivered to whoever has the  
21 superior right to possession, without conditions; [~~or~~]

22 (2) on the filing of a written motion before trial by  
23 an attorney representing the state, order the property delivered  
24 to whoever has the superior right to possession, subject to the  
25 condition that the property be made available to the prosecuting  
26 authority should it be needed in future prosecutions; or

27 (3) order the property awarded to the custody of the  
28 peace officer, pending resolution of criminal investigations  
29 regarding the property.



(d) Venue for a hearing under this article is in any justice, county, statutory county, or district court in the county in which the property is seized or in which the property was alleged to have been stolen or in any municipal court in any municipality in which the property is seized or in which the property was alleged to have been stolen, except that the court may transfer venue to a court in another county on the motion of any interested party.

(e) The person who has the superior right to possession of the property, as determined in a hearing under Subsection (a), is responsible for any transportation necessary to deliver the property to the person as ordered under that subsection.

SECTION \_\_\_\_ . Article 47.02, Code of Criminal Procedure, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) On written consent of the prosecuting attorney and following an order described by Subsection (a), any magistrate having jurisdiction in the county in which the property was alleged to have been stolen or, if the [a] criminal action for theft or any other offense involving the illegal acquisition of property is pending in another county, the county in which the action is pending may hold a hearing to determine the right to possession of the property. If it is proved to the satisfaction of the magistrate that any person is a true owner of the property alleged to have been stolen, and the property is under the control of a peace officer, the magistrate may, by written order, direct the property to be restored to that person.

(c) The owner of the property is responsible for any transportation necessary to restore the property to the owner as ordered under this article.

ADOPTED

MAY 23 2017

*Larry Spaw*  
Secretary of the Senate

FLOOR AMENDMENT NO.

18

BY:

*D. Buckner*

1 Amend C.S.H.B. No. 4180 (senate committee printing) by  
2 adding the following appropriately numbered SECTION to the bill  
3 and renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_ Chapter 654, Acts of the 71st Legislature,  
5 Regular Session, 1989, is amended by adding Section 6A to read  
6 as follows:

7 Sec. 6A. ABANDONED, DETERIORATED, OPEN, OR UNCOVERED WATER  
8 WELLS. (a) In this section:

9 (1) "Abandoned well" and "deteriorated well" have the  
10 meanings assigned by Section 1901.255, Occupations Code.

11 (2) "Open or uncovered well" has the meaning assigned  
12 by Section 36.118, Water Code.

13 (b) The district may enter into a contract with a licensed  
14 water well driller to or a district employee may:

15 (1) cap an open, uncovered, or abandoned well; or

16 (2) plug and permanently close a deteriorated well.

17 (c) A district employee may plug a well under Subsection  
18 (b) only if the employee has received training in the proper  
19 method of plugging a well located in a karst topographic area.

20 (d) The district may require the owner or lessee of land  
21 on which an open or uncovered well is located to keep the well  
22 permanently closed or capped as provided by Section 36.118,  
23 Water Code.

24 (e) The district may use any money available to the  
25 district, including money from grants, fees, or tax revenues, to  
26 pay reasonable expenses incurred by the district in plugging or  
27 capping wells on land in the district under this section of this  
28 Act. The reasonable expenses constitute a lien on the land on  
29 which the well is located in accordance with Section 36.118(e),

1 Water Code.

2       (f) The district may enforce this section against any  
3 person by injunction, mandatory injunction, or other appropriate  
4 remedy in a court of competent jurisdiction as provided by  
5 Section 36.102, Water Code.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO.

19

Latay Spaw  
Secretary of the Senate

BY:

Jane Nelson

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTION to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_\_. Subchapter Z, Chapter 341, Local Government  
5 Code, is amended by adding Section 341.906 to read as follows:

6 Sec. 341.906. LIMITATIONS ON REGISTERED SEX OFFENDERS IN  
7 GENERAL-LAW MUNICIPALITIES. (a) In this section:

8 (1) "Child safety zone" means premises where children  
9 commonly gather. The term includes a school, day-care facility,  
10 playground, public or private youth center, public swimming  
11 pool, video arcade facility, or other facility that regularly  
12 holds events primarily for children. The term does not include a  
13 church, as defined by Section 544.251, Insurance Code.

14 (2) "Playground," "premises," "school," "video arcade  
15 facility," and "youth center" have the meanings assigned by  
16 Section 481.134, Health and Safety Code.

17 (3) "Registered sex offender" means an individual who  
18 is required to register as a sex offender under Chapter 62, Code  
19 of Criminal Procedure.

20 (b) To provide for the public safety, the governing body  
21 of a general-law municipality by ordinance may restrict a  
22 registered sex offender from going in, on, or within a specified  
23 distance of a child safety zone in the municipality.

24 (c) It is an affirmative defense to prosecution of an  
25 offense under the ordinance that the registered sex offender was  
26 in, on, or within a specified distance of a child safety zone  
27 for a legitimate purpose, including transportation of a child  
28 that the registered sex offender is legally permitted to be  
29 with, transportation to and from work, and other work-related

1 purposes.

2 (d) The ordinance may establish a distance requirement  
3 described by Subsection (b) at any distance of not more than  
4 1,000 feet.

5 (e) The ordinance shall establish procedures for a  
6 registered sex offender to apply for an exemption from the  
7 ordinance.

8 (f) The ordinance must exempt a registered sex offender  
9 who established residency in a residence located within the  
10 specified distance of a child safety zone before the date the  
11 ordinance is adopted. The exemption must apply only to:

12 (1) areas necessary for the registered sex offender  
13 to have access to and to live in the residence; and

14 (2) the period the registered sex offender maintains  
15 residency in the residence.

# ADOPTED

FLOOR AMENDMENT NO.

20

MAY 23 2017

BY: Lataj Spaw  
Secretary of the Senate

Paul Bellercont

1 Amend C.S.H.B. 4180 (senate committee report) by adding the  
2 following appropriately numbered SECTIONS to the bill and  
3 renumbering remaining SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_ Section 41.45, Tax Code, is amended by amending  
5 Subsections (h) and (o) and adding Subsection (p) to read as  
6 follows:

7 (h) Before the hearing on a protest or immediately after  
8 the hearing begins, the chief appraiser and the property owner  
9 or the owner's agent shall each provide the other with a copy of  
10 any written material or material preserved on a [any] portable  
11 device designed to maintain a [an electronic, magnetic, or  
12 digital] reproduction of a document or image that the person  
13 intends to offer or submit to the appraisal review board at the  
14 hearing. Each person must provide the copy of material in the  
15 manner and form prescribed by comptroller rule.

16 (o) If the chief appraiser uses audiovisual equipment at a  
17 hearing on a protest, the appraisal office shall provide  
18 audiovisual equipment of the same general type, kind, and  
19 character, as prescribed by comptroller rule, for use during the  
20 hearing by the property owner or the property owner's agent.

21 (p) The comptroller by rule shall prescribe:

22 (1) the manner and form, including security  
23 requirements, in which a person must provide a copy of material  
24 under Subsection (h), which must allow the appraisal review  
25 board to retain the material as part of the board's hearing  
26 record; and

27 (2) specifications for the audiovisual equipment  
28 provided by an appraisal district for use by a property owner or  
29 the property owner's agent under Subsection (o).

SECTION \_\_ Section 41A.061(c), Tax Code, is amended to read as follows:

(c) The comptroller shall remove a person from the registry if:

(1) the person fails or declines to renew the person's agreement to serve as an arbitrator in the manner required by this section; or

(2) the comptroller determines by clear and convincing evidence that there is good cause to remove the person from the registry, including evidence of repeated bias or misconduct by the person while acting as an arbitrator.

SECTION \_\_ Section 41A.07, Tax Code, is amended by amending Subsection (a) and adding Subsections (e), (f), and (g) to read as follows:

(a) On receipt of the request and deposit under Section 41A.05, the comptroller shall:

(1) appoint an eligible arbitrator who is listed in the comptroller's registry; and

(2) send notice to the appointed arbitrator requesting the individual to conduct the hearing on the arbitration ~~[send the property owner and the appraisal district a copy of the comptroller's registry of qualified arbitrators and request that the parties select an arbitrator from the registry. The comptroller may send a copy of the registry to the parties by regular mail in paper form or may send the parties written notice of the Internet address of a website at which the registry is maintained and may be accessed. The parties shall attempt to select an arbitrator from the registry].~~

(e) To be eligible for appointment as an arbitrator under Subsection (a), the arbitrator must reside:

1           (1) in the county in which the property that is the  
2 subject of the appeal is located; or

3           (2) in this state if no available arbitrator on the  
4 registry resides in that county.

5           (f) A person is not eligible for appointment as an  
6 arbitrator under Subsection (a) if at any time during the  
7 preceding five years, the person has:

8           (1) represented a person for compensation in a  
9 proceeding under this title in the appraisal district in which  
10 the property that is the subject of the appeal is located;

11           (2) served as an officer or employee of that  
12 appraisal district; or

13           (3) served as a member of the appraisal review board  
14 for that appraisal district.

15           (g) The comptroller may not appoint an arbitrator under  
16 Subsection (a) if the comptroller determines that there is good  
17 cause not to appoint the arbitrator, including information or  
18 evidence indicating repeated bias or misconduct by the person  
19 while acting as an arbitrator.

20           SECTION \_\_ Sections 41A.07(b) and (c), Tax Code, are  
21 repealed.

22           SECTION \_\_ The comptroller shall adopt rules as provided  
23 by Section 41.45(p), Tax Code, as added by this Act, not later  
24 than January 1, 2018.

25           SECTION \_\_ The changes in law made by this Act to Section  
26 41.45, Tax Code, apply only to a protest for which the notice of  
27 protest was filed by a property owner with the appraisal review  
28 board established for an appraisal district on or after January  
29 1, 2018.

30           SECTION \_\_ The changes in law made by this Act to Section  
31 41A.07, Tax Code, apply only to a request for binding



1 arbitration received by the comptroller from an appraisal  
2 district on or after the effective date of this Act.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 21

BY: Atay Spaw  
Secretary of the Senate

Charles Perry

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_ . Section 75.001(3), Civil Practice and  
5 Remedies Code, is amended to read as follows:

6 (3) "Recreation" means an activity such as:

7 (A) hunting;

8 (B) fishing;

9 (C) swimming;

10 (D) boating;

11 (E) camping;

12 (F) picnicking;

13 (G) hiking;

14 (H) pleasure driving, including off-road  
15 motorcycling and off-road automobile driving and the use of all-  
16 terrain vehicles and recreational off-highway vehicles;

17 (I) nature study, including bird-watching;

18 (J) cave exploration;

19 (K) waterskiing and other water sports;

20 (L) any other activity associated with enjoying  
21 nature or the outdoors;

22 (M) bicycling and mountain biking;

23 (N) disc golf;

24 (O) on-leash and off-leash walking of dogs; ~~[or]~~

25 (P) radio control flying and related activities;

26 or

27 (Q) rock climbing.

28 SECTION \_\_\_\_ . Section 75.001(3), Civil Practice and  
29 Remedies Code, as amended by this Act, applies only to a cause

1 of action that accrues on or after the effective date of this  
2 Act. A cause of action that accrued before the effective date  
3 of this Act is governed by the law applicable to the cause of  
4 action immediately before the effective date of this Act, and  
5 that law is continued in effect for that purpose.

ADOPTED

V V  
MAY 23 2017

FLOOR AMENDMENT NO. 22

BY: *Latoy Spaw*  
Secretary of the Senate

*(Miles)*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTION to the bill and  
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_\_. (a) In this section, "task force" means the  
5 task force on flood control infrastructure established under  
6 this section.

7 (b) Subject to Subsection (i) of this section, the task  
8 force is established to conduct a comprehensive flood control  
9 infrastructure study for Harris County. The study must:

10 (1) assess the existing infrastructure in Harris  
11 County with respect to flood control; and

12 (2) identify infrastructure improvements necessary to  
13 mitigate flooding in that county.

14 (c) The task force is composed of 11 members as follows:

15 (1) one person appointed by the governor;

16 (2) one person appointed by the lieutenant governor;

17 (3) one person appointed by the speaker of the house  
18 of representatives;

19 (4) two representatives of the University of  
20 Houston's Hobby School of Public Affairs or Cullen College of  
21 Engineering, one of whom is appointed by the author of this Act  
22 and one of whom is appointed by the sponsor of this Act;

23 (5) two representatives of Texas Southern  
24 University's Barbara Jordan-Mickey Leland School of Public  
25 Affairs or Department of Transportation Studies, one of whom is  
26 appointed by the author of this Act and one of whom is appointed  
27 by the sponsor of this Act;

28 (6) one representative of the mayor of the City of  
29 Houston, appointed by the mayor;

1           (7) one representative of the Harris County  
2 Commissioners Court, appointed by the commissioners court;

3           (8) one other person appointed by the author of this  
4 Act; and

5           (9) one other person appointed by the sponsor of this  
6 Act.

7           (d) One member appointed under Subsection (c)(4) of this  
8 section serves as the presiding officer of the task force, and  
9 one member appointed under Subsection (c)(5) of this section  
10 serves as the assistant presiding officer.

11          (e) The Hobby School of Public Affairs and the Cullen  
12 College of Engineering of the University of Houston shall  
13 provide necessary staff and administrative support to the task  
14 force.

15          (f) The Harris County Flood Control District shall serve  
16 as an advisor to the task force by reviewing task force work  
17 products and providing data and other information necessary to  
18 conduct the study.

19          (g) The task force shall prepare a report that includes:

20               (1) a description of the activities of the task  
21 force;

22               (2) the findings and recommendations of the task  
23 force, including any proposed policy recommendations; and

24               (3) any proposals for legislation or other matters  
25 the task force considers appropriate.

26          (h) Not later than December 1, 2018, the task force shall  
27 submit the report prepared under this section to:

28               (1) the governor;

29               (2) the lieutenant governor;

30               (3) the speaker of the house of representatives; and

31               (4) the presiding officers of the standing committees

1 of the senate and house of representatives having primary  
2 jurisdiction over issues relating to flood control  
3 infrastructure.

4 (i) This section does not make an appropriation.  
5 Subsections (b)-(h) of this section are not mandatory unless:

6 (1) the legislature makes a specific appropriation to  
7 implement this section; or

8 (2) grants or private donations are made for the  
9 purpose of implementing this section.

10 (j) If a study is not conducted under Subsection (b) of  
11 this section, the University of Houston's Hobby School of Public  
12 Affairs and Cullen College of Engineering jointly may prepare a  
13 comprehensive flood control infrastructure study plan for Harris  
14 County. A plan prepared under this subsection must identify  
15 potential infrastructure improvements that should be the subject  
16 of a comprehensive study regarding flood mitigation in Harris  
17 County.

18 (k) The University of Houston's Hobby School of Public  
19 Affairs and Cullen College of Engineering shall submit a plan  
20 prepared under Subsection (j) of this section to the presiding  
21 officers of the standing committees of the senate and house of  
22 representatives having primary jurisdiction over issues relating  
23 to flood control infrastructure.

24 (l) This section expires and the task force is abolished  
25 January 1, 2019.

ADOPTED

MAY 23 2017

Attest:  
Secretary of the Senate

Charles Perry

FLOOR AMENDMENT NO.

23

1 Amend C.S.H.B. No. 4180 (senate committee printing) by  
2 adding the following appropriately numbered SECTION to the bill  
3 and renumbering SECTIONS of the bill appropriately:

4 SECTION \_\_. Section 2206.154, Government Code, is amended  
5 by amending Subsection (a) and adding Subsection (b-1) to read  
6 as follows:

7 (a) Except as provided by Subsections [~~Subsection~~] (b) and  
8 (b-1), not later than February 1 of each year, an entity  
9 described by Section 2206.151 shall submit to the comptroller a  
10 report containing records and other information specified by  
11 this subchapter for the purpose of providing the comptroller  
12 with information to maintain the eminent domain database under  
13 Section 2206.153. The entity shall submit the report in a form  
14 and in the manner prescribed by the comptroller.

15 (b-1) A public school district located in a county with a  
16 population of less than 25,000 is required to file an annual  
17 report under Subsection (a) only if the district's eminent  
18 domain authority information has changed from the information  
19 reported in the most recent report filed by the district under  
20 this section. If for the current annual reporting period the  
21 district's eminent domain authority information is the same as  
22 the information reflected for the district in the eminent domain  
23 database for the previous annual reporting period, the district,  
24 not later than February 1 of the current annual reporting  
25 period, shall confirm the accuracy of the information by  
26 electronically updating the district's previously filed report  
27 with the comptroller in the manner prescribed by the  
28 comptroller.

ADOPTED

FLOOR AMENDMENT NO.

24

MAY 23 2017

BY: Brandon Coughlin

Atay Spaw  
Secretary of the Senate

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_. Effective September 1, 2017, Sections  
5 62.001(a), (b), (c), (f), (g), and (h), Government Code, are  
6 amended to read as follows:

7 (a) The jury wheel must be reconstituted by using, as the  
8 source:

9 (1) the names of all persons on the current statewide  
10 voter registration list maintained as required under Section  
11 18.061, Election Code, [lists] from all the precincts in the  
12 county; and

13 (2) all names on a current list to be furnished by  
14 the Department of Public Safety as required by Subsection (f),  
15 showing the residents ~~[citizens]~~ of the county who:

16 (A) hold a valid Texas driver's license or a  
17 valid personal identification card or certificate issued by the  
18 department; and

19 (B) are not disqualified from jury service under  
20 Section 62.102(1), (2), (3), or (8) ~~[(7)]~~.

21 (b) Notwithstanding Subsection (a), the following names  
22 ~~[of persons listed on a register of persons exempt from jury~~  
23 ~~service]~~ may not be placed in the jury wheel:

24 (1) the names of persons listed on a registrar of  
25 persons exempt from jury service ~~[r]~~ as provided by Sections  
26 62.108 and 62.109; and

27 (2) the names of persons on the suspense list  
28 maintained by the voter registrar under Section 15.081, Election  
29 Code.



1 (c) Each year not later than the third Tuesday in November  
2 or the date provided by Section 16.032, Election Code, for the  
3 cancellation of voter registrations, whichever is earlier, the  
4 voter registrar of each county shall furnish to the secretary of  
5 state a list of people exempted from jury service under  
6 Subsection (b) ~~[current voter registration list from all the~~  
7 ~~precincts in the county that, except as provided by Subsection~~  
8 ~~(d), includes:~~

9 ~~[(1) the complete name, mailing address, date of~~  
10 ~~birth, voter registration number, and precinct number for each~~  
11 ~~voter;~~

12 ~~[(2) if available, the Texas driver's license number~~  
13 ~~or personal identification card or certificate number and social~~  
14 ~~security number for each voter; and~~

15 ~~[(3) any other information included on the voter~~  
16 ~~registration list of the county].~~

17 (f) The Department of Public Safety shall furnish a list  
18 to the secretary of state that shows the names required under  
19 Subsection (a)(2) and that contains any ~~[of the]~~ information  
20 ~~[enumerated in Subsection (c) that is]~~ available to the  
21 department regarding a person's residential address, mailing  
22 address, date of birth, Texas driver's license number or  
23 personal identification card or certificate number, social  
24 security number, [including] citizenship status, and county of  
25 residence. The list shall exclude the names of convicted  
26 felons, persons who are not citizens of the United States,  
27 persons residing outside the county, and the duplicate name of  
28 any registrant. The department shall furnish the list to the  
29 secretary of state on or before the first Monday in October of  
30 each year.

31 (g) The secretary of state shall accept the lists

1 furnished as provided by Subsections (c) and ~~[(e) through]~~ (f).  
2 The secretary of state shall combine the list furnished under  
3 Subsection (f) with the information on the statewide voter  
4 registration list maintained by the voter registrar as required  
5 under Section 18.061, Election Code, eliminate duplicate names  
6 and names of exempt persons on the list provided to the  
7 secretary of state under Subsection (c) ~~[lists, eliminate~~  
8 ~~duplicate names]~~, and send the combined list to each county on  
9 or before December 31 of each year or as may be required under a  
10 plan developed in accordance with Section 62.011. The district  
11 clerk or bailiff designated as the officer in charge of the jury  
12 selection process for a county that has adopted a plan under  
13 Section 62.011 shall give the secretary of state notice not  
14 later than the 90th day before the date the list is required.  
15 The list furnished the county ~~[must be in a format, electronic~~  
16 ~~or printed copy, as requested by the county and]~~ must be  
17 certified by the secretary of state stating that the list  
18 contains the names required by Subsection (a) and excludes the  
19 names of exempt persons provided to the secretary of state under  
20 Subsection ~~[Subsections (e) through]~~ (f), eliminating  
21 duplications. The secretary of state shall furnish the  
22 electronic list free of charge.

23 (h) If the secretary of state is unable to furnish the  
24 list as provided in this section because of the failure of the  
25 voter registrar to furnish the information necessary to maintain  
26 the statewide voter registration list as required under Section  
27 18.061, Election Code ~~[county voter registration list to the~~  
28 ~~secretary of state]~~, the county tax assessor-collector, sheriff,  
29 county clerk, and district clerk in the county shall meet at the  
30 county courthouse between January 1 and January 15 of the  
31 following year and shall reconstitute the jury wheel for the

1 county, except as provided under a plan adopted under Section  
2 62.011. The deadlines included in the plan control for preparing  
3 the list and reconstituting the wheel. The secretary of state  
4 shall send the list furnished by the Department of Public Safety  
5 as provided by Subsection (f) to the voter registrar, who shall  
6 combine the lists as described in this section for use as the  
7 juror source and certify the combined list as required of the  
8 secretary of state under Subsection (g).

9 SECTION \_\_. Effective September 1, 2017, Section 62.011,  
10 Government Code, is amended by amending Subsection (d) and  
11 adding Subsection (e) to read as follows:

12 (d) A state agency or the secretary of state may not  
13 charge a fee for furnishing an electronic [a] list of names  
14 required by Section 62.001.

15 (e) The commissioners court of a county that has adopted a  
16 jury selection plan must file with the Office of Court  
17 Administration of the Texas Judicial System a copy of the plan  
18 and any modification to the plan.

19 SECTION \_\_. Effective September 1, 2017, Section 62.113,  
20 Government Code, is amended by adding Subsection (b-1) and  
21 amending Subsection (e) to read as follows:

22 (b-1) The list of persons excused or disqualified because  
23 of citizenship as required by Subsection (b) may not be combined  
24 with or submitted simultaneously with any other list required to  
25 be submitted to the voter registrar of the county, including a  
26 list submitted under Section 62.114.

27 (e) The information required to be filed with the  
28 secretary of state under this section must be filed  
29 electronically in the format prescribed by the secretary of  
30 state. The secretary of state may waive this requirement on  
31 application for a waiver submitted by the clerk.

1       SECTION \_\_. Effective September 1, 2017, Section 62.114,  
2 Government Code, is amended by adding Subsection (e) to read as  
3 follows:

4       (e) The list compiled under this section of persons  
5 excused or disqualified because the person is not a resident of  
6 the county may not be combined with or submitted simultaneously  
7 with any other list required to be submitted to the voter  
8 registrar of the county, including a list submitted under  
9 Section 62.113.

10       SECTION \_\_. Effective September 1, 2017, Sections 62.001(d)  
11 and (e), Government Code, are repealed.

FLOOR AMENDMENT NO.

25

ADOPTED

MAY 23 2017

BY:

Ladislav Lucio, Jr.

Letay Spaw  
Secretary of the Senate

1 Amend C.S.H.B. No. 4180 (senate committee printing) by  
2 adding the following appropriately numbered SECTIONS to the bill  
3 and renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_. Effective September 1, 2017, Subtitle F, Title  
5 2, Health and Safety Code, is amended by adding Chapter 120 to  
6 read as follows:

7 CHAPTER 120. TASK FORCE OF BORDER HEALTH OFFICIALS

8 SUBCHAPTER A. GENERAL PROVISIONS

9 Sec. 120.001. DEFINITIONS. In this chapter:

10 (1) "Border region" means the area consisting of the  
11 counties immediately adjacent to the international boundary  
12 between the United States and Mexico.

13 (2) "Task force" means the Task Force of Border  
14 Health Officials.

15 Sec. 120.002. SUNSET PROVISION. The task force is subject  
16 to Chapter 325, Government Code (Texas Sunset Act). Unless  
17 continued in existence as provided by that chapter, the task  
18 force is abolished and this chapter expires September 1, 2029.

19 SUBCHAPTER B. POWERS AND DUTIES

20 Sec. 120.051. TASK FORCE; DUTIES. (a) The department  
21 shall establish the Task Force of Border Health Officials to  
22 advise the commissioner:

23 (1) on policy priorities addressing major issues  
24 affecting the border region residents' health and health  
25 conditions;

26 (2) on raising public awareness of the issues  
27 described by Subdivision (1); and

28 (3) on other health issues impacting the border  
29 region as determined by the commissioner, including:

1                   (A) barriers to accessing health care;  
2                   (B) health problems affecting the region,  
3 including:  
4                   (i) diabetes;  
5                   (ii) infant mortality;  
6                   (iii) heart disease and stroke;  
7                   (iv) obesity;  
8                   (v) cervical cancer; and  
9                   (vi) communicable diseases, including  
10 tuberculosis;  
11                   (C) factors that impede access to health care,  
12 including:  
13                   (i) socioeconomic conditions;  
14                   (ii) linguistic and cultural barriers;  
15                   (iii) low population density; and  
16                   (iv) lack of health insurance;  
17                   (D) surveillance and tracking of communicable  
18 diseases, environmental factors, and other factors negatively  
19 influencing health;  
20                   (E) standardization of data to ensure  
21 compatibility with data collected by border states on both sides  
22 of the international border with Mexico;  
23                   (F) public health infrastructure that includes  
24 education and research institutions to train culturally  
25 competent health care providers;  
26                   (G) establishment of local and regional public  
27 health programs that build on local resources and maximize the  
28 use of public dollars to address the needs of the indigent  
29 population; and  
30                   (H) collaboration and cooperation with Mexican  
31 counterparts of the task force at the state and federal level,

1 and collaboration with federal counterparts in the United  
2 States.

3 (b) The task force shall study and make recommendations  
4 relating to the health problems, conditions, challenges, and  
5 needs of the population in the border region.

6 (c) The task force shall submit a report of  
7 recommendations to the commissioner for short-term and long-term  
8 border plans, as described by Subchapter C, not later than  
9 November 1 of each even-numbered year.

10 Sec. 120.052. COLLABORATION WITH OFFICE OF BORDER HEALTH.  
11 The Office of Border Health established under Section 12.071  
12 shall provide staff support to the task force and any other  
13 assistance as needed or required by the task force, if  
14 practicable.

15 Sec. 120.053. COMPOSITION; TERMS. (a) The task force is  
16 composed of:

17 (1) the health department directors appointed under  
18 Section 121.033 from:

19 (A) each county in the border region; and

20 (B) each municipality in the border region that  
21 has a sister city in Mexico;

22 (2) two ex officio nonvoting members who are members  
23 of the legislature:

24 (A) one of whom is appointed by the lieutenant  
25 governor; and

26 (B) one of whom is appointed by the speaker of  
27 the house of representatives; and

28 (3) additional members appointed by the commissioner.

29 (b) The commissioner shall designate a chair and vice  
30 chair of the task force from among the task force members.

31 (c) The members appointed by the lieutenant governor and

1 the speaker of the house of representatives serve three-year  
2 terms.

3 Sec. 120.054. MEETINGS. (a) The task force shall meet at  
4 least quarterly each fiscal year. Members may hold meetings by  
5 conference calls and through videoconference in accordance with  
6 Section 551.127, Government Code.

7 (b) Section 551.125, Government Code, applies to a meeting  
8 held by conference call under this section, except that Section  
9 551.125(b), Government Code, does not apply.

10 Sec. 120.055. COMPENSATION AND REIMBURSEMENT. A task  
11 force member is not entitled to compensation or reimbursement  
12 for expenses incurred in performing the member's duties.

13 SUBCHAPTER C. BORDER HEALTH IMPROVEMENT PLAN

14 Sec. 120.101. SHORT-TERM AND LONG-TERM PLANS. (a) The  
15 task force shall make recommendations to the commissioner for  
16 short-term and long-term border health improvement plans. The  
17 short-term plan shall identify health objectives proposed to be  
18 accomplished before the fourth anniversary of the date the plan  
19 is adopted. The long-term plan shall identify health objectives  
20 proposed to be accomplished before the ninth anniversary of the  
21 date the plan is adopted.

22 (b) The commissioner shall review the task force's  
23 recommendations and, based on those recommendations, recommend  
24 short-term and long-term border health improvement plans to the  
25 executive commissioner, identifying specific health objectives  
26 that may be implemented under existing law.

27 (c) The executive commissioner shall adopt short-term and  
28 long-term border health improvement plans and direct the  
29 department to implement the portions of the plans that may be  
30 implemented within existing appropriations under existing law.

31 (d) Not later than September 1 of each even-numbered year,



1 the executive commissioner shall submit a report detailing the  
2 actions taken by the task force. The report must include:

3 (1) the status of all projects and activities  
4 involving the health issues described under Section  
5 120.051(a)(3);

6 (2) the funding for the expenditures; and

7 (3) recommendations for legislation necessary to  
8 implement the short-term and long-term border health improvement  
9 plans.

10 Sec. 120.102. APPLICATION OF OTHER LAW. Chapter 2110,  
11 Government Code, does not apply to the task force.

12 Sec. 120.103. ASSISTANCE FROM STATE AGENCIES AND POLITICAL  
13 SUBDIVISIONS. At the request of the task force, a state agency  
14 or political subdivision of this state may cooperate with the  
15 task force to the greatest extent practicable to fully implement  
16 the task force's statutory duties.

17 SECTION \_\_. Effective September 1, 2017, Chapter 344,  
18 Health and Safety Code, is amended by designating Sections  
19 344.001 through 344.007 as Subchapter A and adding a subchapter  
20 heading to read as follows:

21 SUBCHAPTER A. ESTABLISHMENT, OPERATION, AND DISSOLUTION OF  
22 MOSQUITO CONTROL DISTRICTS

23 SECTION \_\_. Effective September 1, 2017, Chapter 344,  
24 Health and Safety Code, is amended by adding Subchapter B to  
25 read as follows:

26 SUBCHAPTER B. ESTABLISHMENT OF URGENT PUBLIC HEALTH MOSQUITO  
27 CONTROL DISTRICTS AND URGENT PUBLIC HEALTH CENTERS

28 Sec. 344.051. DEFINITION. In this subchapter,  
29 "department" means the Department of State Health Services.

30 Sec. 344.052. LEGISLATIVE FINDINGS. The legislature finds  
31 that:

1           (1) scientists have concluded the Zika virus is a  
2 cause for microcephaly and other severe fetal brain defects;

3           (2) the department has reported that counties in the  
4 Gulf Coast region and on the international border with Mexico  
5 are at the highest risk in this state of developing localized  
6 cases of the Zika virus;

7           (3) Cameron County, which is located on the  
8 international border with Mexico, has had as of December 2016 at  
9 least five documented cases of locally transmitted Zika virus;

10           (4) the powers of a mosquito control district may be  
11 effective in combating the increased risk of transmission of the  
12 Zika virus; and

13           (5) there is an urgent public health purpose for  
14 establishing a mosquito control district in Cameron and Hidalgo  
15 Counties and other high-risk counties to contain, eradicate, and  
16 treat problems associated with communicable diseases, including  
17 the Zika virus, the dengue virus, and the chikungunya virus,  
18 that are carried by mosquitoes.

19           Sec. 344.053. APPLICABILITY. (a) This subchapter applies  
20 only to a county located on the international border with  
21 Mexico:

22           (1) for which the department has documented a locally  
23 transmitted case of the Zika virus; or

24           (2) that is adjacent to a county described by  
25 Subdivision (1).

26           (b) Except as otherwise provided by this subchapter,  
27 Subchapter A applies to an urgent public health mosquito control  
28 district established under this subchapter.

29           Sec. 344.054. ESTABLISHMENT. The commissioners court of  
30 or the county judge of a county described by Section 344.053 may  
31 order an election under Section 344.001 for the establishment of

1 an urgent public health mosquito control district on a  
2 resolution by the commissioners court or an order by the county  
3 judge stating that an urgent public health purpose requires  
4 establishment of the district.

5 Sec. 344.055. DUTIES OF COUNTY ESTABLISHING DISTRICT. A  
6 county that establishes an urgent public health mosquito control  
7 district under this subchapter shall:

8 (1) conduct surveillance of vectors carrying  
9 communicable disease;

10 (2) address the capacity of the county public health  
11 infrastructure, including by:

12 (A) establishing and operating communicable  
13 disease and illness identification laboratories;

14 (B) training and hiring public health personnel  
15 and research fellows;

16 (C) matching state, federal, and private  
17 initiatives and efforts aimed at addressing and mitigating  
18 health and environmental conditions that contribute to the  
19 breeding, development, and spread of vectors carrying  
20 communicable disease;

21 (D) testing county residents for communicable  
22 diseases and providing medical treatment to county residents who  
23 have communicable diseases; and

24 (E) funding prevention measures and initiatives  
25 to protect county residents from vectors carrying communicable  
26 disease; and

27 (3) address the prevention and spread of vectors  
28 carrying communicable disease by funding efforts to inform  
29 people about the prevention and spread through community  
30 campaigns and regional information efforts.

31 Sec. 344.056. SPECIAL PUBLIC HEALTH ADVISORY COMMITTEE.

1 (a) In this section, "committee" means the special public  
2 health advisory committee established under this section.

3 (b) Notwithstanding Section 344.004, the commissioners  
4 court of a county that establishes an urgent public health  
5 mosquito control district under this subchapter shall establish  
6 a special public health advisory committee.

7 (c) The commissioners court shall appoint seven members to  
8 the committee as follows:

9 (1) one member who is the county public health  
10 administrator;

11 (2) three members who are public health  
12 administrators at the executive director level in the most  
13 populated municipalities in the county; and

14 (3) three members who are property taxpaying voters  
15 of the county.

16 (d) The commissioner of state health services shall  
17 appoint one delegate to serve as a nonvoting, ex officio member  
18 of the committee.

19 (e) The county judge shall designate one committee member  
20 appointed under Subsection (c) as the presiding officer of the  
21 committee. The committee meets at the call of the presiding  
22 officer.

23 (f) A committee member serves without compensation.

24 (g) A committee member must take an oath of office  
25 prescribed by the commissioners court.

26 (h) The committee shall:

27 (1) make written recommendations to the commissioners  
28 court that the committee considers necessary to:

29 (A) address the urgent public health purpose of  
30 the mosquito control district established under this subchapter;  
31 and

1                   (B) implement the district's duties; and  
2                   (2) perform any other duty assigned to the committee  
3 by the commissioners court.

4           Sec. 344.057. MOSQUITO CONTROL PERSONNEL.           The  
5 commissioners court of a county that establishes an urgent  
6 public health mosquito control district under this subchapter  
7 may appoint:

8                   (1) a mosquito control engineer as provided by  
9 Section 344.005; or

10                   (2) any other public health professional the  
11 commissioners court determines is necessary to carry out the  
12 duties of the district and to address the recommendations of the  
13 special public health advisory committee established under  
14 Section 344.056.

15           Sec. 344.058. URGENT PUBLIC HEALTH CENTER.   (a)   The  
16 department may establish an urgent public health center in a  
17 county that has established an urgent public health mosquito  
18 control district under this subchapter if:

19                   (1) the county has at least one locally transmitted  
20 case of the Zika virus;

21                   (2) the department determines that federal funds are  
22 available to assist local communities in controlling  
23 communicable diseases, including diseases caused by vectors that  
24 carry the Zika virus;

25                   (3) the county or a municipality wholly or partly  
26 located in the county donates land to the department for the  
27 purpose of establishing the center; and

28                   (4) the county or a municipality wholly or partly  
29 located in the county provides matching funds for the purpose of  
30 establishing the center.

31                   (b) The department may establish only one urgent public

1 health center for each public health region containing an urgent  
2 public health mosquito control district established under this  
3 subchapter.

4 (c) An urgent public health center established under this  
5 section for a county with an urgent public health mosquito  
6 control district established under this subchapter may:

7 (1) assist the county in fulfilling the county's  
8 duties under Section 344.055;

9 (2) provide a central repository of vector control  
10 resources for municipalities wholly or partly located in the  
11 county or a county adjacent to the county;

12 (3) develop local surveillance, outreach, and  
13 response campaigns to address communicable disease and potential  
14 vectors carrying communicable disease;

15 (4) provide local, regional, and international  
16 health-related briefings;

17 (5) cooperate with local, regional, state, and  
18 international officials to:

19 (A) increase environmental awareness to reduce  
20 sources for vector development; and

21 (B) develop recommendations for implementing  
22 nuisance abatement policies;

23 (6) with the assistance of appropriate authorities,  
24 facilitate any necessary method of vector control, including  
25 trapping, adulticiding, and larviciding of vector populations  
26 along the international border;

27 (7) provide to health care professionals current  
28 information, including health advisories and guidance with  
29 communicable disease case management, regarding communicable  
30 disease and potential vectors carrying communicable disease;

31 (8) in cooperation with state, federal, and

1 international partners, educate and provide health care  
2 screenings to populations at high risk of contracting a  
3 communicable disease and that are traditionally difficult to  
4 contact; and

5 (9) facilitate information sharing between local,  
6 state, and international entities.

7 SECTION \_\_. (a) The commissioner of state health  
8 services, lieutenant governor, and speaker of the house of  
9 representatives shall appoint the members of the Task Force of  
10 Border Health Officials established by Section 120.051, Health  
11 and Safety Code, as added by this Act, not later than October 1,  
12 2017.

13 (b) The initial short-term border health improvement plan  
14 adopted under Section 120.101, Health and Safety Code, as added  
15 by this Act, must include a border health improvement plan for  
16 implementation beginning not later than September 1, 2018. The  
17 Department of State Health Services shall implement the  
18 initiatives in the short-term border health improvement plan, as  
19 directed by the executive commissioner of the Health and Human  
20 Services Commission, not later than September 1, 2022.

21 (c) The initial long-term border health improvement plan  
22 adopted under Section 120.101, Health and Safety Code, as added  
23 by this Act, must include a border health improvement plan for  
24 implementation beginning not later than September 1, 2020. The  
25 Department of State Health Services shall implement the  
26 initiatives in the long-term border health improvement plan, as  
27 directed by the executive commissioner of the Health and Human  
28 Services Commission, not later than September 1, 2027.

ADOPTED

V V

MAY 23 2017

FLOOR AMENDMENT NO.

26

Leta Spaw  
Secretary of the Senate

BY:

Paul Bellercont

1 Amend C.S.H.B 4180 (senate committee report) by adding the  
2 following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTION of the bill accordingly:

4 SECTION \_\_\_\_\_. (a) The county department of education in a  
5 county with a population of four million or more according to  
6 the most recent federal decennial census is subject to review  
7 under Chapter 325, Government Code (Texas Sunset Act), as if the  
8 department were a state agency, but the department may not be  
9 abolished under that chapter. The review shall be conducted as  
10 if the department were scheduled to be abolished September 1,  
11 2019.

12 (b) The review must assess the department's governance,  
13 management, and operating structure, and the department's  
14 compliance with legislative requirements.

15 (c) The department shall pay the cost incurred by the  
16 Sunset Advisory Commission in performing a review of the  
17 department under this section. The Sunset Advisory Commission  
18 shall determine the cost, and the department shall pay the  
19 amount promptly on receipt of a statement from the Sunset  
20 Advisory Commission detailing the cost.

21 (d) This Section expires September 1, 2021.



ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO.

27

BY: *Larry Spaw*  
Secretary of the Senate

*Barbara Aughton*

1 Amend H.B. 4130 by adding the following appropriately numbered  
2 SECTION to the bill and renumbering subsequent SECTIONS of the bill  
3 accordingly:

4 SECTION \_\_\_\_\_. Subchapter D, Chapter 43, Local Government  
5 Code, is amended by adding Section 43.0755 to read as follows:

6 Sec. 43.0755. PROCEDURES FOR INCORPORATION OR  
7 ESTABLISHMENT OF ANOTHER FORM OF LOCAL GOVERNMENT FOR CERTAIN AREAS  
8 SUBJECT TO REGIONAL PARTICIPATION AGREEMENT. (a) In this section,  
9 "district," "eligible municipality," and "regional participation  
10 agreement" have the meanings assigned by Section 43.0754.

11 (b) This section applies only to a district and an eligible  
12 municipality that have entered into a regional participation  
13 agreement under Section 43.0754 that authorizes any of the actions  
14 described by Section 43.0754(c)(6), (7), or (8).

15 (c) Notwithstanding any other law, including laws  
16 prescribing population or territorial requirements for  
17 incorporation under Section 5.901, 6.001, 7.001, or 8.001, the  
18 governing body of a district may order an election as provided by  
19 this subsection to be held on a uniform election date prescribed by  
20 Section 41.001, Election Code. An election under this subsection  
21 may, consistent with the regional participation agreement, be  
22 ordered for the purpose of:

23 (1) submitting to the qualified voters of the district  
24 the question of whether the territory of the district should be  
25 incorporated as a municipality;

26 (2) submitting to the qualified voters of a designated  
27 area of the district the question of whether that designated area  
28 should be incorporated as a municipality;

29 (3) submitting to the qualified voters of the district

the question of whether the territory of the district should adopt a specific alternate form of local government other than a municipality; or

(4) submitting to the qualified voters of a designated area of the district the question of whether that designated area should adopt a specific alternate form of local government other than a municipality.

(d) Notwithstanding any other law:

(1) the authority of the governing body of a district to order an election under Subsection (c) is separate and independent and is the exclusive means of ordering any such election;

(2) all or any part of the territory of a district may be incorporated as a Type A, Type B, or Type C municipality, as determined by the governing body of the district ordering the incorporation election under Subsection (c)(1) or (2); and

(3) the requirements of Sections 7.002 and 8.002 do not apply to an election ordered under Subsection (c)(1) or (2).

(e) In an election ordered under Subsection (c)(2) or (4), the governing body of the district may order elections in multiple designated areas on the same date or order elections in designated areas periodically on a uniform election date.

(f) In any election ordered under Subsection (c), the governing body of the district shall also submit for confirmation to the voters voting in the election the proposed initial property tax rate determined for the municipality or alternate form of government, as applicable, which may not exceed the maximum rate authorized by law. The ballot in an election held under Subsection (c) shall be printed to permit voting for or against the proposition: "Authorizing the (specify the incorporation of or the adoption of an alternate form of local government for) (insert name

1 of local government) and the adoption of an initial property tax  
2 rate of not more than (specify the maximum rate determined)."

3 (g) In any election ordered under Subsection (c), the  
4 governing body of the district may also submit to the voters voting  
5 in the election any other measure the governing body considers  
6 necessary and convenient to effectuate the transition to a  
7 municipal or alternate form of local government, including a  
8 measure on the question of whether, on incorporation as a  
9 municipality or establishment of an alternate form of local  
10 government, any rights, powers, privileges, duties, purposes,  
11 functions, or responsibilities of the district or the district's  
12 authority to issue bonds and impose a tax is transferred to the  
13 municipality or alternate form of local government.

14 (h) If a majority of the voters voting in an election under  
15 Subsection (c)(2) or (4) approve the proposition submitted on the  
16 form of local government, the county judge of the county in which  
17 the municipality or alternate form of local government is located  
18 shall order an election for the governing body of the municipality  
19 or alternate form of local government to be held on a date that  
20 complies with the provisions of the Election Code, except that  
21 Section 41.001(a), Election Code, does not apply. A municipality  
22 or alternate form of local government resulting from an election  
23 described by this subsection is incorporated or established on the  
24 date a majority of the members of the governing body qualify and  
25 take office.

26 (i) If a majority of the voters voting in an election under  
27 Subsection (c)(1) or (3) approve the proposition submitted on the  
28 form of local government, the district is dissolved and the  
29 governing body of the district will serve as the temporary  
30 governing body of the municipality or alternate form of local  
31 government until a permanent governing body is elected as provided

1 by Subsection (j).

2 (j) The temporary governing body under Subsection (i) shall  
3 order an election to elect the permanent governing body of the  
4 municipality or alternate form of local government to occur on a  
5 date that complies with the provisions of the Election Code, except  
6 that Section 41.001(a), Election Code, does not apply.

7 (k) An election ordered under Subsection (h) or (j) to elect  
8 members of the governing body of a municipality must be held under  
9 the applicable provisions of Chapter 22, 23, or 24, to the extent  
10 consistent with this section. An election for members of the  
11 governing body of an alternate form of government must be held under  
12 the law applicable to that form of government, to the extent  
13 consistent with this section.

14 (l) If a majority of the voters voting in an election under  
15 Subsection (c)(1) or (3) approve the proposition submitted on the  
16 form of local government for the territory of the district, the  
17 assets, liabilities, and obligations of the district are  
18 transferred to the form of government approved at the election.

19 (m) If a majority of the voters voting in an election under  
20 Subsection (c)(2) or (4) approve the proposition submitted on the  
21 form of local government in a designated area of the district and  
22 if, on the date of the election approving the form of local  
23 government, the district owes any debts, by bond or otherwise, the  
24 designated area is not released from its pro rata share of the  
25 indebtedness.

26 (n) For purposes of determining the initial tax rate of a  
27 municipality or an alternate form of local government, the tax rate  
28 of the district when the territory incorporated or established as  
29 an alternate form of government was part of the district is not  
30 considered for purposes of the calculations required by Section  
31 26.04(c), Tax Code.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 28

*Larry Green*  
Secretary of the Senate

BY:

*Jose Rodriguez*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_. Section 79.014(b), Government Code, is amended  
5 to read as follows:

6 (b) The board members serve staggered terms of six [~~two~~]  
7 years, with one or two members' terms expiring February 1 of  
8 each odd-numbered year [~~and three members' terms expiring~~  
9 ~~February 1 of each even-numbered year~~].

10 SECTION \_\_. The members of the board of the Texas Indigent  
11 Defense Commission serving on the effective date of this Act may  
12 draw lots or use another method to determine the members who  
13 shall serve terms that expire on February 1, 2023, the members  
14 who shall serve terms that expire on February 1, 2021, and the  
15 members who shall serve terms that expire on February 1, 2019.  
16 The members of the board appointed to succeed the members  
17 serving on the effective date of this Act shall serve six-year  
18 terms.

FLOOR AMENDMENT NO.

29

ADOPTED

VV  
MAY 23 2017 BY:

Van Taylor

Latoy Spaw

1 Amend H.B. 4180 (senate committee printing) by adding the  
2 following appropriately numbered SECTIONS to the bill and  
3 renumbering the subsequent SECTIONS accordingly:

4 SECTION \_\_. The heading to Chapter 251, Agriculture Code,  
5 is amended to read as follows:

6 CHAPTER 251. EFFECT OF NUISANCE ACTIONS AND GOVERNMENTAL  
7 REQUIREMENTS ON CERTAIN ~~[PREEXISTING]~~ AGRICULTURAL OPERATIONS

8 SECTION \_\_. Chapter 251, Agriculture Code, is amended by  
9 adding Section 251.007 to read as follows:

10 Sec. 251.007. SIX CHICKENS ALLOWED. (a) Notwithstanding  
11 any other law and except as provided by Subsection (b), a  
12 political subdivision may not impose a governmental requirement  
13 that prohibits an individual from raising or keeping six or  
14 fewer chickens in the boundaries of the political subdivision.

15 (b) A municipality may impose reasonable governmental  
16 requirements on the raising or keeping of poultry in the  
17 boundaries of the municipality that do not have the effect of  
18 prohibiting the raising or keeping of six or fewer chickens,  
19 including:

20 (1) a limit on the number of chickens an individual may  
21 raise or keep in excess of six;

22 (2) a prohibition on breeding poultry;

23 (3) a prohibition on raising or keeping roosters; or

24 (4) the minimum distance an individual must maintain  
25 between a chicken coop and a residential structure.

26 (c) A governmental requirement adopted by a political  
27 subdivision that violates Subsection (a) is void.

28 SECTION \_\_. Section 251.007, Agriculture Code, as added by  
29 this Act, applies to a governmental requirement adopted before,

1 on, or after the effective date of this Act.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 30

*Lately Spaw*  
Secretary of the Senate

BY: *Brandon Coe*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following SECTION to the bill, numbered appropriately, and  
3 renumbering accordingly the SECTIONS of the bill:

4 SECTION \_\_. (a) Effective September 1, 2017, Sections  
5 54.016(a), (b), and (f), Water Code, are amended to read as  
6 follows:

7 (a) No land within the corporate limits of a city or  
8 within the extraterritorial jurisdiction of a city, shall be  
9 included in a district unless the city grants its written  
10 consent, by resolution or ordinance, to the inclusion of the  
11 land within the district in accordance with Section 42.042,  
12 Local Government Code, and this section. The request to a city  
13 for its written consent to the creation of a district, shall be  
14 signed by a majority in value of the holders of title of the  
15 land within the proposed district as indicated by the county tax  
16 rolls or, if there are more than 50 persons holding title to the  
17 land in the proposed district as indicated by the county tax  
18 rolls, the request to the city will be sufficient if it is  
19 signed by 50 holders of title to the land in the district. A  
20 petition for the written consent of a city to the inclusion of  
21 land within a district shall describe the boundaries of the land  
22 to be included in the district by metes and bounds or by lot and  
23 block number, if there is a recorded map or plat and survey of  
24 the area, and state the general nature of the work proposed to  
25 be done, the necessity for the work, and the cost of the project  
26 as then estimated by those filing the petition. If, at the time  
27 a petition is filed with a city for creation of a district, the  
28 district proposes to connect to a city's water or sewer system  
29 or proposes to contract with a regional water and wastewater



1 provider which has been designated as such by the commission as  
2 of the date such petition is filed, to which the city has made a  
3 capital contribution for the water and wastewater facilities  
4 serving the area, the proposed district shall be designated as a  
5 "city service district." If such proposed district does not  
6 meet the criteria for a city service district at the time the  
7 petition seeking creation is filed, such district shall be  
8 designated as a "noncity service district." The city's consent  
9 shall not place any restrictions or conditions on the creation  
10 of a noncity service district as defined by this chapter  
11 ~~[Chapter 54 of the Texas Water Code]~~ other than those expressly  
12 provided in Subsection (e) of this section and shall  
13 specifically not limit the amounts of the district's bonds. A  
14 city may not require annexation as a consent to creation of any  
15 district. A city shall not refuse to approve a district bond  
16 issue for any reason except that the district is not in  
17 compliance with valid consent requirements applicable to the  
18 district. If a city grants its written consent without the  
19 concurrence of the applicant to the creation of a noncity  
20 service district containing conditions or restrictions that the  
21 petitioning land owner or owners reasonably believe exceed the  
22 city's powers, such land owner or owners may petition the  
23 commission to create the district and to modify the conditions  
24 and restrictions of the city's consent. The commission may  
25 declare any provision of the consent to be null and void. The  
26 commission may approve the creation of a district that includes  
27 any portion of the land covered by the city's consent to  
28 creation of the district. The legislature may create and may  
29 validate the creation of a district that includes any portion of  
30 the land covered by the city's consent to the creation of the  
31 district.

1 (b) If the governing body of a city fails or refuses to  
2 grant permission for the inclusion of land within its  
3 extraterritorial jurisdiction in a district, including a  
4 district created by a special act of the legislature, within 90  
5 days after receipt of a written request, a majority of the  
6 electors in the area proposed to be included in the district or  
7 the owner or owners of 50 percent or more of the land to be  
8 included may petition the governing body of the city and request  
9 the city to make available to the land the water or sanitary  
10 sewer service contemplated to be provided by the district.

11 (f) A city may provide in its written consent for the  
12 inclusion of land in a district that is initially located wholly  
13 or partly outside the corporate limits of the city that a  
14 contract ("allocation agreement") between the district and the  
15 city be entered into prior to the first issue of bonds, notes,  
16 warrants, or other obligations of the district. The allocation  
17 agreement shall contain the following provisions:

18 (1) a method by which the district shall continue to  
19 exist following the annexation of all territory within the  
20 district by the city, if the district is [~~initially~~] located  
21 outside the corporate limits of the city at the time the  
22 creation of the district is approved by the district's voters;

23 (2) an allocation of the taxes or revenues of the  
24 district or the city which will assure that, following the date  
25 of the inclusion of all the district's territory within the  
26 corporate limits of the city, the total annual ad valorem taxes  
27 collected by the city and the district from taxable property  
28 within the district does not exceed an amount greater than the  
29 city's ad valorem tax upon such property;

30 (3) an allocation of governmental services to be  
31 provided by the city or the district following the date of the

1 inclusion of all of the district's territory within the  
2 corporate limits of the city; and

3 (4) such other terms and conditions as may be deemed  
4 appropriate by the city.

5 (b) The change in law made to Section 54.016(f), Water  
6 Code, as amended by this section, applies only to an agreement  
7 entered into on or after the effective date of this section. An  
8 agreement entered into before the effective date of this section  
9 is governed by the law in effect on the date the agreement was  
10 entered into, and the former law is continued in effect for that  
11 purpose.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 31

BY: Pat Bellercont  
Secretary of the Senate

1 Amend C.S.H.B 4180 (senate committee report) by adding the  
2 following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTION of the bill accordingly:

4 SECTION \_\_\_\_\_. Section 52.072, Election Code, is amended by  
5 adding Subsection (f) to read as follows:

6 (f) A ballot proposition proposing an amendment to a home-  
7 rule city charter or a voter-initiated initiative or referendum  
8 as requested by petition must substantially submit the question  
9 with such definiteness and certainty in identifying the  
10 proposition's chief features that the voters are not misled.

11 SECTION \_\_\_\_\_. Chapter 233, Election Code, is amended by  
12 adding Section 233.0115 to read as follows:

13 Sec. 233.0115. BALLOT LANGUAGE MANDAMUS ACTION. If a  
14 court orders a new election under Section 233.011, a person may  
15 seek from the court a writ of mandamus to compel the governing  
16 body of a city to comply with the requirement that a ballot  
17 proposition must substantially submit the question with such  
18 definiteness and certainty that the voters are not misled, as  
19 provided by Section 273.102.

20 SECTION \_\_\_\_\_. Section 253.094(b), Election Code, is  
21 amended to read as follows:

22 (b) A corporation or labor organization may not make a  
23 political contribution in connection with a recall election,  
24 including the circulation and submission of a petition to call  
25 an election. This subsection does not prohibit a religious  
26 organization from circulating or submitting a petition in  
27 connection with a recall election.

28 SECTION \_\_\_\_\_. Chapter 273, Election Code, is amended by  
29 adding Subchapter F to read as follows:

1           SUBCHAPTER F. BALLOT PROPOSITION LANGUAGE ENFORCEMENT

2                           PROVISIONS

3           Sec. 273.101. REVIEW BY SECRETARY OF STATE. (a) Not  
4 later than the seventh day after the date on which a home-rule  
5 city publishes in the election order or by other means ballot  
6 proposition language proposing an amendment to the city charter  
7 or a voter-initiated initiative or referendum as requested by  
8 petition, a registered voter eligible to vote in the election  
9 may submit the proposition for review by the secretary of state.

10           (b) The secretary of state shall review the proposition  
11 not later than the seventh day after the date the secretary  
12 receives the submission to determine whether the proposition  
13 substantially submits the question with such definiteness and  
14 certainty that the voters are not misled.

15           (c) If the secretary of state determines that the  
16 proposition fails to substantially submit the question with such  
17 definiteness and certainty that the voters are not misled, the  
18 city shall draft a proposition to cure the defects and give  
19 notice of the new proposition using the method of giving notice  
20 prescribed for notice of an election under Section 4.003.

21           (d) A proposition drafted by a city under Subsection (c)  
22 to cure the defects may be submitted to the secretary of state  
23 under Subsection (a). If the secretary of state determines that  
24 the city has on its third attempt drafted a proposition that  
25 fails to substantially submit the question with such  
26 definiteness and certainty that the voters are not misled, the  
27 secretary of state shall draft the ballot proposition.

28           Sec. 273.102. MANDAMUS ACTIONS. (a) In an action in a  
29 court of competent jurisdiction seeking a writ of mandamus to  
30 compel the city's governing body to comply with the requirement  
31 that a ballot proposition must substantially submit the question

1 with such definiteness and certainty that the voters are not  
2 misled, the court shall make its determination without delay and  
3 may order the city to use ballot proposition language drafted by  
4 the court.

5 (b) The court may award a plaintiff or relator who  
6 substantially prevails in a mandamus action described by  
7 Subsection (a) the party's reasonable attorney's fees, expenses,  
8 and court costs.

9 (c) Governmental immunity to suit is waived and abolished  
10 only to the extent of the liability created by Subsection (b).

11 Sec. 273.103. MANDATORY SUBMISSION TO SECRETARY OF STATE.  
12 Following a final nonappealable judgment containing a finding by  
13 a court that a ballot proposition drafted by a city failed to  
14 substantially submit the question with such definiteness and  
15 certainty that the voters are not misled, the city shall submit  
16 to the secretary of state for approval any proposition to be  
17 voted on at an election held by the city before the fourth  
18 anniversary of the court's finding.

19 Sec. 273.104. CITY REQUIRED TO PAY FOR LEGAL SERVICES.  
20 Notwithstanding a home-rule city charter provision to the  
21 contrary, a city may not accept legal services relating to a  
22 proceeding under this subchapter without paying fair market  
23 value for those services.

24 Sec. 273.105. RULES. The secretary of state may adopt  
25 rules as necessary to implement this subchapter.

26 SECTION \_\_\_\_. Sections 277.001, 277.002, 277.0021,  
27 277.0022, 277.0023, 277.0024, and 277.003, Election Code, are  
28 designated as Subchapter A, Chapter 277, Election Code, and a  
29 heading is added to Subchapter A to read as follows:

30 SUBCHAPTER A. PROVISIONS RELATING TO SIGNATURES, VALIDITY, AND  
31 VERIFICATION OF PETITIONS

1       SECTION \_\_\_\_\_. Section 277.001, Election Code, is amended  
2 to read as follows:

3       Sec. 277.001. APPLICABILITY OF SUBCHAPTER [~~CHAPTER~~]. This  
4 subchapter [~~chapter~~] applies to a petition authorized or  
5 required to be filed under a law outside this code in connection  
6 with an election.

7       SECTION \_\_\_\_\_. Section 277.002, Election Code, is amended  
8 by adding Subsection (f) to read as follows:

9       (f) The illegibility of a signature on a petition  
10 submitted to a home-rule city is not a valid basis for  
11 invalidating the signature if the information provided with the  
12 signature as required by this section and other applicable law  
13 legibly provides enough information to demonstrate that the  
14 signer:

15           (1) is eligible to have signed the petition; and  
16           (2) signed the petition on or after the 180th day  
17 before the date the petition was filed.

18       SECTION \_\_\_\_\_. Subchapter A, Chapter 277, Election Code, as  
19 added by this Act, is amended by adding Sections 277.005 and  
20 277.006 to read as follows:

21       Sec. 277.005. PETITION FORM; USE BY CITY AND OTHER  
22 PERSONS. (a) The secretary of state shall prescribe the form  
23 and content for a petition related to a city charter amendment  
24 or city initiative or referendum election.

25       (b) A home-rule city that uses a form that is different  
26 from the official form prescribed under Subsection (a) may not  
27 invalidate a petition because the petition does not contain  
28 information that the petition form failed to provide for or to  
29 require to be provided.

30       (c) A person who circulates or submits a petition is not  
31 required to use a petition form prescribed by the secretary of

1 state or a home-rule city. A petition that does not use a  
2 prescribed form must contain the substantial elements required  
3 to be provided on the prescribed form.

4 Sec. 277.006. RULES. The secretary of state may adopt  
5 rules as necessary to implement this subchapter.

6 SECTION \_\_\_\_\_. Chapter 277, Election Code, is amended by  
7 adding Subchapter B to read as follows:

8 SUBCHAPTER B. SUBMISSION OF CERTAIN CITY PETITIONS

9 Sec. 277.031. APPLICABILITY OF SUBCHAPTER. This  
10 subchapter applies to a home-rule city that has a procedure  
11 requiring the governing body of the city to hold an election on  
12 receipt of a petition requesting the election that complies with  
13 the applicable requirements.

14 Sec. 277.032. CONFLICTS WITH CITY CHARTER OR OTHER LAW.  
15 The provisions of this subchapter apply notwithstanding any city  
16 charter provision or other law.

17 Sec. 277.033. DETERMINATION OF VALIDITY. The city  
18 secretary shall determine the validity of a petition submitted  
19 under this subchapter, including by verifying the petition  
20 signatures, not later than the 30th day after the date the city  
21 receives the petition.

22 Sec. 277.034. COLLECTOR REQUIREMENTS PROHIBITED.  
23 (a) Except as provided by Subsection (b), a city may not  
24 restrict who may collect petition signatures.

25 (b) A city may require a person who collects petition  
26 signatures to be a resident of the city. This subsection does  
27 not authorize a city to require a person who collects petition  
28 signatures to be a registered voter. A city requirement  
29 authorized under this subsection does not apply to a petition  
30 relating to a local option election under Chapter 501.

31 SECTION \_\_\_\_\_. Sections 9.004(a) and (c), Local Government



Code, are amended to read as follows:

(a) The governing body of a municipality on its own motion may submit a proposed charter amendment to the municipality's qualified voters for their approval at an election. The governing body shall submit a proposed charter amendment to the voters for their approval at an election if the submission is supported by a petition signed by a number of registered ~~qualified~~ voters of the municipality equal to at least five percent of the number of registered ~~qualified~~ voters of the municipality on the date of the most recent election held throughout the municipality or 20,000, whichever number is the smaller.

(c) Notice of the election shall be published in a newspaper of general circulation published in the municipality. The notice must:

(1) include a substantial copy of the proposed amendment in which language sought to be deleted by the amendment is bracketed and stricken through and language sought to be added by the amendment is underlined;

(2) include an estimate of the anticipated fiscal impact to the municipality if the proposed amendment is approved at the election; and

(3) be published on the same day in each of two successive weeks, with the first publication occurring before the 14th day before the date of the election.

SECTION \_\_\_\_\_. Subchapter E, Chapter 51, Local Government Code, is amended by adding Section 51.080 to read as follows:

Sec. 51.080. PUBLICATION OF INITIATIVE OR REFERENDUM BALLOT PROPOSALS. (a) This section applies to a municipality for which a petition may be submitted requesting an election on an amendment to the municipality's charter or a voter-initiated

1 initiative or referendum.

2       (b) In addition to any other notice or publication  
3 requirements, a municipality shall publish the ballot  
4 proposition language to be voted on at an election described by  
5 Subsection (a) not later than the 109th day before the date of  
6 the election.

7       (c) The municipality must provide on its website in an  
8 easily accessible location a clear and concise explanation of  
9 the process used to submit a petition requesting an election on  
10 an amendment to the municipality's charter or a voter-initiated  
11 initiative or referendum.

12       SECTION \_\_\_\_\_. Section 277.004, Election Code, is repealed.

13       SECTION \_\_\_\_\_. Not later than January 1, 2018, the  
14 secretary of state shall adopt a petition form as required by  
15 Section 277.005, Election Code, as added by this Act.

16       SECTION \_\_\_\_\_. The changes in law made by this Act relating  
17 to a petition requesting an election apply only to a petition  
18 submitted on or after January 1, 2018.

19

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO.

32

BY: *Latoy Spaw*  
Secretary of the Senate

*Taffirini*

1 Amend C.S.H.B. No. 4180 (senate committee printing) by  
2 adding the following appropriately numbered SECTION and  
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_. (a) Effective September 1, 2017, Section  
5 152.905, Local Government Code, is amended by adding Subsection  
6 (e) to read as follows:

7 (e) This subsection applies only to a county auditor or  
8 assistant auditor appointed to serve a county located on an  
9 international border that has a population of less than 300,000  
10 and contains one or more municipalities with a population of  
11 200,000 or more. In setting the compensation for a county  
12 auditor or assistant auditor considered at a hearing under this  
13 section, the district judge or judges may not set the amount of  
14 compensation in an amount that is inconsistent with a wage and  
15 position classification plan adopted by the county.

16 (b) For a county auditor or assistant auditor appointed  
17 before the September 1, 2017, whose compensation does not  
18 conform to the person's position classification as provided by a  
19 wage and position classification plan adopted by the county that  
20 the person serves, the district judge or judges, in subsequent  
21 hearings setting the person's annual compensation, shall,  
22 without reducing the person's annual compensation, align the  
23 person's compensation with the wage and position classification  
24 plan adopted by the county.

ADOPTED

MAY 23 2017

*Robert Lee Nichols*

FLOOR AMENDMENT NO.

33

*Larry Spaw* BY: \_\_\_\_\_  
Secretary of the Senate

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTION to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_\_. (a) Effective January 1, 2018, Section  
5 23.51(1), Tax Code, is amended to read as follows:

6 (1) "Qualified open-space land" means land that is  
7 currently devoted principally to agricultural use to the degree  
8 of intensity generally accepted in the area and that has been  
9 devoted principally to agricultural use or to production of  
10 timber or forest products for five of the preceding seven years  
11 or land that is used principally as an ecological laboratory by  
12 a public or private college or university. Qualified open-space  
13 land includes all appurtenances to the land. For the purposes  
14 of this subdivision, appurtenances to the land means private  
15 roads, dams, reservoirs, water wells, canals, ditches, terraces,  
16 and other reshapings of the soil, fences, and riparian water  
17 rights. Notwithstanding the other provisions of this  
18 subdivision:

19 (A) [7] land that is currently devoted  
20 principally to wildlife management as defined by Subdivision  
21 (7)(B) or (C) to the degree of intensity generally accepted in  
22 the area qualifies for appraisal as qualified open-space land  
23 under this subchapter regardless of the manner in which the land  
24 was used in any preceding year; and

25 (B) land that is used principally as an  
26 ecological laboratory by a public or private college or  
27 university does not qualify for appraisal as qualified open-  
28 space land under this subchapter on the basis of that use unless  
29 the land was appraised as qualified open-space land under this

1 subchapter on the basis of that use for the 2017 tax year.

2 (b) Section 23.51(1), Tax Code, as amended by this  
3 section, applies only to the appraisal of land for ad valorem  
4 tax purposes for a tax year that begins on or after January 1,  
5 2018.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO.

34

*Hotay Spaw*  
Secretary of the Senate

BY:

*[Signature]*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTION to the bill and  
3 renumbering subsequent SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_ . Section 253.001, Local Government Code, is  
5 amended by adding Subsection (m) to read as follows:

6 (m) Subsection (b) does not apply to a conveyance of park  
7 land owned by a home-rule municipality that:

8 (1) is wholly located in a county with a population  
9 of more than three million; and

10 (2) has a population of more than 100,000.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 35

BY:

*Atty. Gen.*  
Secretary of the Senate

*D. Burling*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering subsequent SECTIONS accordingly:

4 SECTION \_\_. Subchapter A, Chapter 222, Transportation  
5 Code, is amended by adding Section 222.007 to read as follows:

6 Sec. 222.007. ALLOCATION OF MONEY FROM TRANSPORTATION  
7 PROJECT DELAYS. (a) The department shall establish a system to  
8 track liquidated damages, including road user costs, retained by  
9 the department associated with delayed transportation project  
10 contracts.

11 (b) The system must allow the department to correlate the  
12 liquidated damages with:

13 (1) the project that was the subject of the damages;  
14 and

15 (2) each department district in which the project  
16 that was the subject of the damages is located.

17 (c) Each year, the department shall:

18 (1) for each department district, determine the  
19 amount of money described by Subsection (a) retained in the  
20 previous year that is attributable to projects located in the  
21 district; and

22 (2) in addition to other amounts, allocate to each  
23 department district an amount of money equal to the amount  
24 determined for the district under Subdivision (1) to be used for  
25 transportation projects located in that district.

26 (d) If a transportation project that was the subject of  
27 liquidated damages is located in more than one department  
28 district, the department may reasonably allocate the amount of  
29 the liquidated damages from that project among the districts in

1 which the project is located.



ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 36

Secretary of the Senate

BY: J. J. Ariz

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following SECTION to the bill, numbered appropriately, and  
3 renumbering accordingly the SECTIONS of the bill and the cross-  
4 references within Section 7201.052, Special District Local Laws  
5 Code:

6 SECTION \_\_. (a) Effective January 1, 2018, Section  
7 7201.052, Special District Local Laws Code, is amended by  
8 amending Subsections (a), (b), (c), and (l) and adding  
9 Subsection (m) to read as follows:

10 (a) Except as provided by Subsection (l), the district  
11 shall be governed by a board of seven directors, elected as  
12 follows:

13 (1) one director elected by the voters of the part of  
14 the City of Mission inside the district to represent that part  
15 of the city;

16 (2) one director elected by the voters of the City of  
17 Palmview to represent that city;

18 (3) one director elected by the voters of the City of  
19 Penitas to represent that city;

20 (4) one director elected by the voters of the City of  
21 Sullivan City to represent that city; ~~[and]~~

22 (5) one director elected by the voters of the part of  
23 the City of La Joya within the district to represent that part  
24 of the city; and

25 (6) two ~~[three]~~ directors elected at-large to  
26 numbered positions on the board by the district voters who do  
27 not reside in any of the municipalities listed in Subdivisions  
28 (1)-(5) ~~[(1)-(4)]~~ to represent the part of the district that is  
29 not included in those municipalities, unless the number of at-

1 large directors is increased under Subsection (1).

2 (b) A candidate for one of the numbered director  
3 positions:

4 (1) must reside in the part of the service area of  
5 the district that is not included in any of the municipalities  
6 listed in Subsections (a)(1)-(5) [~~(a)(1)-(4)~~]; and

7 (2) must be eligible to hold office under Section  
8 141.001, Election Code.

9 (c) A candidate for one of the director positions  
10 representing a municipality listed in Subsection (a)(1), (2),  
11 (3), [~~or~~] (4), or (5):

12 (1) must reside in the municipality the candidate  
13 seeks to represent; and

14 (2) must be eligible to hold office under Section  
15 141.001, Election Code.

16 (1) If, before the expiration of the term of a director  
17 elected to represent a municipality under Subsection (a)(1),  
18 (2), (3), [~~or~~] (4), or (5), the district determines that all of  
19 the incorporated territory of the municipality is outside the  
20 boundaries of the district, the position immediately becomes an  
21 at-large numbered position to be filled at the next general  
22 election of the district in accordance with Subsections (a)(6)  
23 [~~(a)(5)~~] and (b).

24 (m) The board may not employ as an employee, as a  
25 consultant, or on a contract basis:

26 (1) an elected official of the largest public  
27 employer in the service area of the district; or

28 (2) a person related to an elected official described  
29 by Subdivision (1) within the third degree by consanguinity or  
30 affinity as determined under Chapter 573, Government Code.

31 (b) The position of director of the Agua Special Utility

1 District elected at-large for a term that expires in 2018  
2 becomes the position for the director elected from the City of  
3 La Joya on the election date in 2018 when the district elects  
4 new directors. The director of the Agua Special Utility  
5 District elected at-large to a term that expires in 2018 shall  
6 serve until a director elected from the City of La Joya has  
7 qualified following the director's election held in 2018. This  
8 subsection expires September 1, 2020.

9 (c) The legal notice of the intention to introduce a bill  
10 relating to the Agua Special Utility District, setting forth the  
11 general substance of this section, has been published as  
12 provided by law, and the notice and a copy of a bill relating to  
13 the Agua Special Utility District have been furnished to all  
14 persons, agencies, officials, or entities to which they are  
15 required to be furnished under Section 59, Article XVI, Texas  
16 Constitution, and Chapter 313, Government Code.

17 (d) The governor, one of the required recipients, has  
18 submitted the notice and a bill relating to the Agua Special  
19 Utility District to the Texas Commission on Environmental  
20 Quality.

21 (e) The Texas Commission on Environmental Quality has  
22 filed its recommendations relating to the substance of this  
23 section with the governor, the lieutenant governor, and the  
24 speaker of the house of representatives within the required  
25 time.

26 (f) All requirements of the constitution and laws of this  
27 state and the rules and procedures of the legislature with  
28 respect to the notice, introduction, and passage of the  
29 substance of this section are fulfilled and accomplished.

FLOOR AMENDMENT NO. 37

ADOPTED

<sup>VV</sup>  
MAY 23 2017 BY:

*Lotay Spaw*  
Secretary of the Senate

*Ryan Hyler*

Amend C.S.H.B. No. 4180 (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter B, Chapter 623, Transportation Code, is amended by adding Section 623.0172 to read as follows:

Sec. 623.0172. PERMIT FOR INTERMODAL SHIPPING CONTAINER.

(a) In this section, "intermodal shipping container" means an enclosed, standardized, reusable container that:

(1) is used to pack, ship, move, or transport cargo;

(2) is designed to be carried on a semitrailer and loaded onto or unloaded from:

(A) a ship or vessel for international transportation; or

(B) a rail system for international transportation; and

(3) when combined with vehicles transporting the container, has a gross weight or axle weight that exceeds the limits allowed by law to be transported over a state highway or county or municipal road.

(b) The department shall issue an annual permit for the international transportation of an intermodal shipping container moving by a truck-tractor and semitrailer combination that has six total axles and is equipped with a roll stability support safety system and truck blind spot systems only if:

(1) the gross weight of the combination does not exceed 93,000 pounds;

(2) the distance between the front axle of the truck-tractor and the last axle of the semitrailer, measured longitudinally, is approximately 647 inches;

(3) the truck-tractor is configured as follows:

(A) one single axle that does not exceed 13,000 pounds;

(B) one two-axle group that does not exceed 37,000 pounds, in which no axle in the group exceeds 18,500 pounds; and

(C) the distance between the individual axles on the two-axle group of the truck-tractor, measured longitudinally, is not less than 51 inches and not more than 52 inches; and

(4) the semitrailer is configured as follows:

(A) one three-axle group that does not exceed 49,195 pounds, in which no axle in the group exceeds 16,400 pounds; and

(B) the distance between the individual axles in the three-axle group of the semitrailer, measured longitudinally, is 60 inches.

(c) The department shall restrict vehicles operating under a permit issued under this section to routes that are:

(1) located in a county with a population of more

than 90,000;

(2) on highways in the state highway system; and

(3) not more than five miles from the border between  
this state and Arkansas.

(d) An intermodal shipping container being moved under a  
permit issued under this section must be continuously sealed  
from the point of origin to the point of destination with a seal  
that is required by:

(1) the United States Customs and Border Protection;

(2) the United States Food and Drug Administration;

or

(3) federal law or regulation.

(e) A permit issued under this section does not authorize  
the operation of a vehicle combination described by Subsection  
(b) on:

(1) load-restricted roads or bridges, including a  
road or bridge for which a maximum weight and load limit has  
been established and posted by the Texas Department of  
Transportation under Section 621.102; or

(2) routes for which the Texas Department of

Transportation has not authorized the operation of a vehicle combination described by Subsection (b).

(f) A permit issued under this subchapter does not authorize the transportation of a material designated as of January 1, 2017, as a hazardous material by the United States secretary of transportation under 49 U.S.C. Section 5103(a).

(g) An applicant for a permit under this section must designate each Texas Department of Transportation district in which the permit will be used.

(h) The department shall initially set the fee for a permit issued under this section in an amount not to exceed \$2,000. Beginning in 2022, on September 1 of each even-numbered year the department shall set the fee for a permit issued under this section in an amount based on a reasonable estimate of the costs associated with the operation of vehicles issued a permit under this section over routes described by Subsection (c), including any increase in the costs necessary to maintain or repair those highways. The estimate shall be based on the results of the study conducted under Subsection (l).

(i) Of the fee collected under this section for a permit:

(1) 90 percent shall be deposited to the credit of the state highway fund;

(2) 5 percent shall be deposited to the credit of the Texas Department of Motor Vehicles fund; and

(3) 5 percent shall be deposited to the appropriate county road and bridge fund.

(j) A fee deposited under Subsection (i)(1) may only be used for transportation projects in the Texas Department of Transportation district designated in the permit application for which the fee was assessed.

(k) The department may suspend a permit issued under this section if the department receives notice from the Federal Highway Administration that the operation of a vehicle under a permit authorized by this section would result in the loss of federal highway funding.

(1) Beginning in 2022, not later than September 1 of each even-numbered year, the Texas Department of Transportation shall conduct a study concerning vehicles operating under a permit issued under this section and publish the results of the study. In conducting the study, the Texas Department of Transportation



shall collect and examine the following information:

(1) the weight and configuration of vehicles operating under a permit under this section that are involved in a motor vehicle accident;

(2) the types of vehicles operating under a permit issued under this section;

(3) traffic volumes and variations of vehicles operating under a permit issued under this section;

(4) weigh-in-motion data for highways located in and around the area described by Subsection (c);

(5) impacts to state and local bridges, including long-term bridge performance, for bridges located in and around the area described by Subsection (c); and

(6) impacts to state and local roads, including changes in pavement design standards, construction specification details, maintenance frequency and types, and properties of pavement and underlying soils resulting from or necessitated by vehicles operating under a permit issued under this section.

1 Amend C.S.H.B. No. 4180 (senate committee printing) by  
2 adding the following appropriately numbered SECTIONS to the bill  
3 and renumbering subsequent SECTIONS accordingly:

4 SECTION \_\_\_\_ Title 3, Labor Code, is amended by adding  
5 Chapter 106 to read as follows:

6 CHAPTER 106. CRIMINAL HISTORY RECORD INFORMATION OF EMPLOYMENT

7 APPLICANT OR EMPLOYEE

8 Sec. 106.001. DEFINITIONS. In this chapter:

9 (1) "Applicant" means a person who has made an oral  
10 or written application with a private employer, or has sent a  
11 resume or other correspondence to a private employer, indicating  
12 an interest in employment.

13 (2) "Criminal history record information" means  
14 information collected by a criminal justice agency about a  
15 person's arrests, detentions, and criminal charges and the  
16 dispositions of those criminal charges.

17 Sec. 106.002. CERTAIN LOCAL REGULATION OF PRIVATE  
18 EMPLOYERS PROHIBITED. A political subdivision of this state may  
19 not adopt or enforce any ordinance or other local regulation  
20 that prohibits, limits, delays, or otherwise regulates a private  
21 employer's ability to inquire about, request, consider, or take  
22 employment action based on the criminal history record  
23 information of an applicant or employee or criminal history  
24 provided by an applicant or employee.

25 Sec. 106.003. NONAPPLICABILITY. This chapter does not  
26 prevent a political subdivision of this state from adopting or  
27 enforcing an ordinance or other local regulation relating to the  
28 access to or consideration of the criminal history record  
29 information of an individual or criminal history provided by an

1 individual:

2           (1) entering into a contract or other agreement with  
3 the political subdivision as it relates to hiring within the  
4 scope of performance of duties under that contract or agreement;  
5 or

6           (2) receiving a grant from the political subdivision  
7 as it relates to hiring within the scope of performance of  
8 duties under that grant.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO.

39

BY:

Theresa Norton

Lotay Daw  
Secretary of the Senate

1 Amend H.B. 4180 by Kolkhorst (Senate committee report) by  
2 inserting the appropriately numbered section:  
3 SECTION \_\_\_\_\_. The following provisions are repealed:  
4 (1) Section 54.04011(f), Family Code; and  
5 (2) Sections 152.0016(1) and 261.101(f), Human Resources  
6 Code.

ADOPTED

MAY 23 2017

BY:

*Latey Spaw*  
Secretary of the Senate

*Van Taylor*

FLOOR AMENDMENT NO. 40

Amend H.B. No. 4180 (senate committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_. Effective September 1, 2017, Chapter 103, Code of Criminal Procedure, is amended by adding Article 103.0081 to read as follows:

Art. 103.0081. UNCOLLECTIBLE FEES. (a) Any officer authorized by this chapter to collect a fee or item of cost may request the trial court in which a criminal action or proceeding was held to make a finding that a fee or item of cost imposed in the action or proceeding is uncollectible if the officer believes:

(1) the defendant is deceased;

(2) the defendant is serving a sentence for imprisonment for life or life without parole; or

(3) the fee has been unpaid for at least 15 years.

(b) On a finding by a court that any condition described by Subsections (a)(1)-(3) is true, the court may order the officer to designate the fee or item of cost as uncollectible in the fee record. The officer shall attach a copy of the court's order to the fee record.

(c) This article applies only to a county with a population of more than 780,000 but less than 790,000.

ADOPTED

MAY 23 2017

*Leta Spaw*  
Secretary of the Senate

FLOOR AMENDMENT NO. 41

BY: Uresti, Campbell

Amend C.S.H.B. No. 4180 (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_ Chapter 411, Government Code, is amended by adding Subchapter P to read as follows:

SUBCHAPTER P. CAMO ALERT FOR MISSING MILITARY MEMBERS

Sec. 411.441. DEFINITIONS. In this subchapter:

(1) "Alert" means the statewide camo alert for missing military members that is developed and implemented under this subchapter.

(2) "Law enforcement agency" means a law enforcement agency with jurisdiction over the investigation of a missing military member.

(3) "Military member" means a person who is a current or former member of the United States armed forces, including the National Guard or a reserve or auxiliary unit of any branch of the armed forces.

Sec. 411.442. CAMO ALERT FOR MISSING MILITARY MEMBERS. With the cooperation of the Texas Department of Transportation, the office of the governor, and other appropriate law enforcement agencies in this state, the department shall develop and implement a statewide camo alert to be activated on behalf of a missing military member who suffers from a mental illness, including post-traumatic stress disorder, or a traumatic brain injury.

Sec. 411.443. ADMINISTRATION. (a) The director is the statewide coordinator of the alert.

(b) The director shall adopt rules and issue directives as

necessary to ensure proper implementation of the alert. The rules and directives must include:

(1) the procedures to be used by a law enforcement agency to verify whether a military member:

(A) is missing; and

(B) suffers from a mental illness, including post-traumatic stress disorder, or a traumatic brain injury;

(2) a description of the circumstances under which a law enforcement agency is required to report a missing military member to the department;

(3) the procedures to be used by an individual or entity to report information about a missing military member to designated media outlets in this state;

(4) guidelines for protecting the privacy of a missing military member for whom an alert has been issued; and

(5) the procedures to be used by a military member to opt out of any activation of the alert system with respect to the member.

(c) The director shall prescribe forms for use by law enforcement agencies in requesting activation of the alert system.

Sec. 411.444. DEPARTMENT TO RECRUIT PARTICIPANTS. The department shall recruit public and commercial television and radio broadcasters, private commercial entities, state or local governmental entities, the public, and other appropriate persons to assist in developing and implementing the alert system.

Sec. 411.445. STATE AGENCIES. (a) A state agency participating in the alert system shall:

(1) cooperate with the department and assist in developing and implementing the alert system; and

(2) establish a plan for providing relevant information to its officers, investigators, or employees, as appropriate, once the alert system has been activated.

(b) In addition to its duties as a state agency under Subsection (a), the Texas Department of Transportation shall establish a plan for providing relevant information to the public through an existing system of dynamic message signs located across the state.

Sec. 411.446. NOTIFICATION TO DEPARTMENT OF MISSING MILITARY MEMBER. (a) A law enforcement agency shall notify the department if the agency:

(1) receives notice of a missing military member;

(2) verifies that at the time the military member is reported missing:

(A) the person reported missing is a military member;

(B) the military member's location is unknown;

(C) the military member's domicile is in this state; and

(D) the military member suffers from a mental illness, including post-traumatic stress disorder, or a traumatic brain injury; and

(3) determines that the military member's disappearance poses a credible threat to the military member's health and safety or the health and safety of another.

(b) The law enforcement agency shall:

(1) require the family or legal guardian of the missing military member to provide documentation of the military member's mental illness to verify the condition as required by Subsection



(a) (2) (D); and

(2) as soon as practicable, determine whether the military member's disappearance poses a credible threat to the military member's health and safety or the health and safety of another for purposes of Subsection (a) (3).

Sec. 411.447. ACTIVATION OF CAMO ALERT. (a) When a law enforcement agency notifies the department under Section 411.446, the department shall confirm the accuracy of the information and, if confirmed, immediately issue an alert under this subchapter in accordance with department rules.

(b) In issuing the alert, the department shall send the alert to designated media outlets in this state. Following receipt of the alert, participating radio stations and television stations and other participating media outlets may issue the alert at designated intervals to assist in locating the missing military member.

Sec. 411.448. CONTENT OF CAMO ALERT. The alert must include:

(1) all appropriate information that is provided by the law enforcement agency under Section 411.446 and that may lead to the safe recovery of the missing military member; and

(2) a statement instructing any person with information related to the missing military member to contact a law enforcement agency.

Sec. 411.449. TERMINATION OF CAMO ALERT. (a) The director shall terminate any activation of the alert with respect to a particular missing military member not later than the earlier of the date on which:

(1) the missing military member is located or the situation is otherwise resolved; or

(2) the notification period ends, as determined by

department rule.

(b) A law enforcement agency that locates a missing military member who is the subject of an alert under this subchapter shall notify the department as soon as possible that the missing military member has been located.

ADOPTED

MAY 23 2017

FLOOR AMENDMENT NO. 42

*Latey Spaw*  
Secretary of the Senate

BY:

*Bryan Hylton*

Amend C.S.H.B. 4180 (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_. Section 615.121(a), Government Code, is amended to read as follows:

(a) The state shall pay the following benefits to an eligible surviving spouse of a peace officer, a jailer, a county jailer or guard, or an employee of the Texas Department of Criminal Justice, as described by Section 615.003(1), (4), ~~or~~ (6), or (7), who was killed in the line of duty and who had not qualified for an annuity under an employees' retirement plan:

(1) funeral expenses related to the deceased person ~~[officer or employee]~~; and

(2) monthly payments that equal the greater of:

(A) the monthly annuity payment the deceased person ~~[officer or employee]~~ would have received if the deceased person ~~[officer or employee]~~ had survived, had retired on the last day of the month in which the person ~~[officer or employee]~~ died, and had been eligible to receive an annuity under an employees' retirement plan; or

(B) the minimum monthly annuity payment the deceased person ~~[officer or employee]~~ would have received if the person ~~[officer or employee]~~ had been employed by the state for 10 years, had been paid a salary at the lowest amount provided by the General Appropriations Act for a position of peace officer, jailer, county jailer or guard, or employee of the Texas Department of Criminal Justice, as described by Section 615.003(1), (4), ~~or~~ (6), or (7), and had been eligible to retire under the Employees Retirement System of Texas.

ADOPTED

RV 29-2  
MAY 23 2017

FLOOR AMENDMENT NO.

43

*Katay D. Paul*  
Secretary of the Senate

BY:

*Craig Estes*

1 Amend C.S.H.B. No. 4180 (senate committee report) by adding  
2 the following appropriately numbered SECTIONS to the bill and  
3 renumbering SECTIONS of the bill accordingly:

4 SECTION \_\_\_\_ . Sections 2158.004(a), (b), (c), and (d),  
5 Government Code, are amended to read as follows:

6 (a) A state agency operating a fleet of more than 15  
7 vehicles, excluding law enforcement and emergency vehicles, may not  
8 purchase or lease a motor vehicle unless that vehicle uses  
9 compressed natural gas, liquefied natural gas, liquefied petroleum  
10 gas, methanol or methanol/gasoline blends of 85 percent or greater,  
11 ethanol or ethanol/gasoline blends of 85 percent or greater,  
12 biodiesel or biodiesel/diesel blends of 20 percent or greater,  
13 hydrogen fuel cells, or electricity, including electricity to power  
14 a plug-in hybrid motor vehicle.

15 (b) A state agency may obtain equipment or refueling  
16 facilities necessary to operate vehicles using compressed natural  
17 gas, liquefied natural gas, liquefied petroleum gas, methanol or  
18 methanol/gasoline blends of 85 percent or greater, ethanol or  
19 ethanol/gasoline blends of 85 percent or greater, biodiesel or  
20 biodiesel/diesel blends of 20 percent or greater, hydrogen fuel  
21 cells, or electricity, including electricity to power a plug-in  
22 hybrid motor vehicle:

23 (1) by purchase or lease as authorized by law;  
24 (2) by gift or loan of the equipment or facilities; or  
25 (3) by gift or loan of the equipment or facilities or by  
26 another arrangement under a service contract for the supply of  
27 compressed natural gas, liquefied natural gas, liquefied petroleum

gas, methanol or methanol/gasoline blends of 85 percent or greater, ethanol or ethanol/gasoline blends of 85 percent or greater, biodiesel or biodiesel/diesel blends of 20 percent or greater, hydrogen fuel cells, or electricity, including electricity to power a plug-in hybrid motor vehicle.

(c) If the equipment or facilities are donated, loaned, or provided through another arrangement with the supplier of compressed natural gas, liquefied natural gas, liquefied petroleum gas, methanol or methanol/gasoline blends of 85 percent or greater, ethanol or ethanol/gasoline blends of 85 percent or greater, biodiesel or biodiesel/diesel blends of 20 percent or greater, hydrogen fuel cells, or electricity, including electricity to power a plug-in hybrid motor vehicle, the supplier is entitled to recoup its actual cost of donating, loaning, or providing the equipment or facilities through its fuel charges under the supply contract.

(d) The commission may waive the requirements of this section for a state agency on receipt of certification supported by evidence acceptable to the commission that:

(1) the agency's vehicles will be operating primarily in an area in which neither the agency nor a supplier has or can reasonably be expected to establish adequate refueling for compressed natural gas, liquefied natural gas, liquefied petroleum gas, methanol or methanol/gasoline blends of 85 percent or greater, ethanol or ethanol/gasoline blends of 85 percent or greater, biodiesel or biodiesel/diesel blends of 20 percent or greater, hydrogen fuel cells, or electricity, including electricity to power a plug-in hybrid motor vehicle; or

(2) the agency is unable to obtain equipment or refueling facilities necessary to operate vehicles using compressed

1 natural gas, liquefied natural gas, liquefied petroleum gas,  
2 methanol or methanol/gasoline blends of 85 percent or greater,  
3 ethanol or ethanol/gasoline blends of 85 percent or greater,  
4 biodiesel or biodiesel/diesel blends of 20 percent or greater,  
5 hydrogen fuel cells, or electricity, including electricity to power  
6 a plug-in hybrid motor vehicle, at a projected cost that is  
7 reasonably expected to be no greater than the net costs of  
8 continued use of conventional gasoline or diesel fuels, measured  
9 over the expected useful life of the equipment or facilities  
10 supplied.

11 SECTION \_\_\_\_\_. Subchapter A, Chapter 2158, Government Code, is  
12 amended by adding Section 2158.0051 to read as follows:

13 Sec. 2158.0051. ALTERNATIVE FUEL FLEETS. (a) In this  
14 section, "political subdivision" has the meaning assigned by  
15 Section 395.001, Health and Safety Code.

16 (b) Notwithstanding the purchase requirements of Section  
17 2158.004:

18 (1) the vehicle fleet of a state agency that operates a  
19 fleet of more than 15 motor vehicles, subject to the availability  
20 of funds, may be replaced with motor vehicles that use compressed  
21 natural gas, liquefied natural gas, liquefied petroleum gas,  
22 hydrogen fuel cells, or electricity, including both fully electric  
23 motor vehicles and plug-in hybrid motor vehicles;

24 (2) a political subdivision that operates a vehicle  
25 fleet of more than 15 motor vehicles is authorized, but is not  
26 required, to replace the fleet with motor vehicles that use  
27 compressed natural gas, liquefied natural gas, liquefied petroleum  
28 gas, hydrogen fuel cells, or electricity, including both fully  
29 electric motor vehicles and plug-in hybrid motor vehicles; and

1           (3) motor vehicles of a state agency or political  
2 subdivision described by Subdivisions (1) and (2) that are capable  
3 of using fuels described by those subdivisions shall be primarily  
4 operated with those fuels.

5           (b) In complying with Subsection (a), a state agency to which  
6 this section applies shall prioritize:

7           (1) the purchase or lease of new motor vehicles,  
8 including new motor vehicles that are converted to operate on an  
9 alternative fuel described by Subsection (a)(1), when replacing  
10 vehicles or adding vehicles to the fleet;

11           (2) the purchase of new motor vehicles, including new  
12 motor vehicles that are converted to operate on an alternative fuel  
13 described by Subsection (a)(1), to replace vehicles that have the  
14 highest total mileage and do not use a fuel described by Subsection  
15 (a)(1); and

16           (3) to the extent feasible, obtaining, whether by  
17 purchase, purchase and conversion, or lease, motor vehicles that  
18 use compressed natural gas, liquefied natural gas, or liquefied  
19 petroleum gas.

20           (c) Subsection (a)(1) does not apply to law enforcement or  
21 emergency vehicles.

22           SECTION \_\_\_\_\_. Subchapter B, Chapter 382, Health and Safety  
23 Code, is amended by adding Section 382.037 to read as follows:

24           Sec. 382.037. NOTICE IN TEXAS REGISTER REGARDING NATIONAL  
25 AMBIENT AIR QUALITY STANDARDS FOR OZONE. (a) This section applies  
26 only if:

27           (1) with respect to each active or revoked national  
28 ambient air quality standard for ozone referenced in 40 C.F.R.  
29 Section 81.344, the United States Environmental Protection Agency

1 has, for each designated area referenced in that section:

2 (A) designated the area as attainment or  
3 unclassifiable/attainment; or

4 (B) approved a redesignation substitute making a  
5 finding of attainment for the area; and

6 (2) for each designated area described by Subdivision  
7 (1), with respect to an action of the United States Environmental  
8 Protection Agency described by Subdivision (1)(A) or (B):

9 (A) the action has been fully and finally upheld  
10 following judicial review or the limitations period to seek  
11 judicial review of the action has expired; and

12 (B) the rules under which the action was approved  
13 by the agency have been fully and finally upheld following judicial  
14 review or the limitations period to seek judicial review of those  
15 rules has expired.

16 (b) Not later than the 30th day after the date the conditions  
17 described by Subsection (a) have been met, the commission shall  
18 publish notice in the Texas Register that, with respect to each  
19 active or revoked national ambient air quality standard for ozone  
20 referenced in 40 C.F.R. Section 81.344, the United States  
21 Environmental Protection Agency has, for each designated area  
22 referenced in that section:

23 (1) designated the area as attainment or  
24 unclassifiable/attainment; or

25 (2) approved a redesignation substitute making a finding  
26 of attainment for the area.

27 SECTION \_\_\_\_\_. Section 386.001(3), Health and Safety Code, is  
28 amended to read as follows:

29 (3) "Commission" means the Texas [~~Natural~~—Resouree



1 ~~Conservation~~] Commission on Environmental Quality.

2 SECTION \_\_\_\_\_. Section 386.002, Health and Safety Code, is  
3 amended to read as follows:

4 Sec. 386.002. EXPIRATION. This chapter expires on the last  
5 day of the state fiscal biennium during which the commission  
6 publishes in the Texas Register the notice required by Section  
7 382.037 [August 31, 2019].

8 SECTION \_\_\_\_\_. Section 386.051(b), Health and Safety Code, is  
9 amended to read as follows:

10 (b) Under the plan, the commission and the comptroller shall  
11 provide grants or other funding for:

12 (1) the diesel emissions reduction incentive program  
13 established under Subchapter C, including for infrastructure  
14 projects established under that subchapter;

15 (2) the motor vehicle purchase or lease incentive  
16 program established under Subchapter D;

17 (3) the air quality research support program established  
18 under Chapter 387;

19 (4) the clean school bus program established under  
20 Chapter 390;

21 (5) the new technology implementation grant program  
22 established under Chapter 391;

23 (6) the regional air monitoring program established  
24 under Section 386.252(a);

25 (7) a health effects study as provided by Section  
26 386.252(a);

27 (8) air quality planning activities as provided by  
28 Section 386.252(d) [~~386.252(a)~~];

29 (9) a contract with the Energy Systems Laboratory at the

1 Texas A&M Engineering Experiment Station for computation of  
2 creditable statewide emissions reductions as provided by Section  
3 386.252(a) [~~386.252(a)(14)~~];

4 (10) the clean fleet program established under Chapter  
5 392;

6 (11) the alternative fueling facilities program  
7 established under Chapter 393;

8 (12) the natural gas vehicle grant program [~~and clean~~  
9 ~~transportation triangle program~~] established under Chapter 394;

10 (13) other programs the commission may develop that lead  
11 to reduced emissions of nitrogen oxides, particulate matter, or  
12 volatile organic compounds in a nonattainment area or affected  
13 county;

14 (14) other programs the commission may develop that  
15 support congestion mitigation to reduce mobile source ozone  
16 precursor emissions; [~~and~~]

17 (15) the seaport and rail yard areas emissions reduction  
18 [~~drayage truck incentive~~] program established under Subchapter D-1;

19 (16) conducting research and other activities associated  
20 with making any necessary demonstrations in the state's air quality  
21 state implementation plan submitted to the United States  
22 Environmental Protection Agency that account for the impact of  
23 foreign emissions or an exceptional event;

24 (17) studies of or pilot programs for incentives for port  
25 authorities located in nonattainment areas or affected counties as  
26 provided by Section 386.252(a); and

27 (18) the governmental alternative fuel fleet grant  
28 program established under Chapter 395.

29 SECTION \_\_\_\_\_. Sections 386.0515(a) and (c), Health and Safety

Code, are amended to read as follows:

(a) In this section:

(1) "Agricultural~~[, ——— "agricultural]~~ product transportation" means the transportation of a raw agricultural product from the place of production using a heavy-duty truck to:

(A) ~~[+1]~~ a nonattainment area;

(B) ~~[+2]~~ an affected county;

(C) ~~[+3]~~ a destination inside the clean transportation zone ~~[triangle]~~; or

(D) ~~[+4]~~ a county adjacent to a county described by Paragraph (B) ~~[Subdivision (2)]~~ or that contains an area described by Paragraph (A) or (C) ~~[Subdivision (1) or (3)]~~.

(2) "Clean transportation zone" has the meaning assigned by Section 393.001.

(c) The determining factor for eligibility for participation in a program established under Chapter 392 or ~~[Chapter] 394~~~~[, as added by Chapter 892 (Senate Bill No. 385), Acts of the 82nd Legislature, Regular Session, 2011,]~~ for a project relating to agricultural product transportation is the overall accumulative net reduction in emissions of oxides of nitrogen in a nonattainment area, an affected county, or the clean transportation zone ~~[triangle]~~.

SECTION \_\_\_\_\_. Section 386.103, Health and Safety Code, is amended by adding Subsection (c) to read as follows:

(c) To reduce the administrative burden for the commission and applicants, the commission may streamline the application process by:

(1) reducing data entry and the copying and recopying of applications; and

1           (2) developing, maintaining, and periodically updating a  
2 system to accept applications electronically through the  
3 commission's Internet website.

4           SECTION \_\_\_\_\_. Section 386.104(j), Health and Safety Code, is  
5 amended to read as follows:

6           (j) The executive director may ~~[shall]~~ waive any eligibility  
7 requirements established under this section on a finding of good  
8 cause, which may include a waiver for short lapses in registration  
9 or operation attributable to economic conditions, seasonal work, or  
10 other circumstances.

11          SECTION \_\_\_\_\_. Sections 386.116(a), (b), and (c), Health and  
12 Safety Code, are amended to read as follows:

13          (a) In this section, "small business" means a business owned  
14 by a person who:

15               (1) owns and operates not more than five ~~[two]~~ vehicles,  
16 one of which is:

17                       (A) an on-road diesel ~~[with a pre-1994 engine~~  
18 ~~model]~~; or

19                       (B) a non-road diesel ~~[with an engine with~~  
20 ~~uncontrolled emissions]~~; and

21               (2) has owned the vehicle described by Subdivision  
22 (1)(A) or (B) for more than two years ~~[one year]~~.

23          (b) The commission ~~[by rule]~~ shall develop a method of  
24 providing fast and simple access to grants under this subchapter  
25 for a small business. The method must:

26               (1) create a separate small business grant program; or

27               (2) require the commission to give special consideration  
28 to small businesses when implementing another program established  
29 under this subchapter.

1 (c) The commission shall publicize and promote the  
2 availability of grants under this subchapter for small businesses  
3 ~~[section]~~ to encourage the use of vehicles that produce fewer  
4 emissions.

5 SECTION \_\_\_\_\_. Chapter 386, Health and Safety Code, is amended  
6 by adding Subchapter D to read as follows:

7 SUBCHAPTER D. MOTOR VEHICLE PURCHASE OR LEASE INCENTIVE PROGRAM

8 Sec. 386.151. DEFINITIONS. In this subchapter:

9 (1) "Light-duty motor vehicle" means a motor vehicle  
10 with a gross vehicle weight rating of less than 10,000 pounds.

11 (2) "Motor vehicle" means a self-propelled device  
12 designed for transporting persons or property on a public highway  
13 that is required to be registered under Chapter 502, Transportation  
14 Code.

15 Sec. 386.152. APPLICABILITY. The provisions of this  
16 subchapter relating to a lessee do not apply to a person who rents  
17 or leases a light-duty motor vehicle for a term of 30 days or less.

18 Sec. 386.153. COMMISSION DUTIES REGARDING LIGHT-DUTY MOTOR  
19 VEHICLE PURCHASE OR LEASE INCENTIVE PROGRAM. (a) The commission  
20 shall develop a purchase or lease incentive program for new light-  
21 duty motor vehicles and shall adopt rules necessary to implement  
22 the program.

23 (b) The program shall authorize statewide incentives for the  
24 purchase or lease of new light-duty motor vehicles powered by  
25 compressed natural gas, liquefied petroleum gas, or hydrogen fuel  
26 cell or other electric drives for a purchaser or lessee who agrees  
27 to register and operate the vehicle in this state for a minimum  
28 period of time to be established by the commission.

29 (c) Only one incentive will be provided for each new light-

duty motor vehicle. The incentive shall be provided to the lessee and not to the purchaser if the motor vehicle is purchased for the purpose of leasing the vehicle to another person.

(d) The commission by rule may revise the standards for the maximum unloaded vehicle weight rating and gross vehicle weight rating of an eligible vehicle to ensure that all of the vehicle weight configurations available under one general vehicle model may be eligible for an incentive.

Sec. 386.154. LIGHT-DUTY MOTOR VEHICLE PURCHASE OR LEASE INCENTIVE REQUIREMENTS. (a) A new light-duty motor vehicle powered by compressed natural gas or liquefied petroleum gas is eligible for a \$5,000 incentive if the vehicle:

(1) has four wheels;

(2) was originally manufactured to comply with and has been certified by an original equipment manufacturer or intermediate or final state vehicle manufacturer as complying with, or has been altered to comply with, federal motor vehicle safety standards, state emissions regulations, and any additional federal or state regulations applicable to vehicles powered by compressed natural gas or liquefied petroleum gas;

(3) was manufactured for use primarily on public streets, roads, and highways;

(4) has a dedicated or bi-fuel compressed natural gas or liquefied petroleum gas fuel system:

(A) installed prior to first sale or within 500 miles of operation of the vehicle following first sale; and

(B) with a range of at least 125 miles as estimated, published, and updated by the United States Environmental Protection Agency;

1           (5) has, as applicable, a:

2                   (A) compressed natural gas fuel system that  
3 complies with the:

4                           (i) 2013 NFPA 52 Vehicular Gaseous Fuel  
5 Systems Code; and

6                           (ii) American National Standard for Basic  
7 Requirements for Compressed Natural Gas Vehicle (NGV) Fuel  
8 Containers, commonly cited as "ANSI/CSA NGV2"; or

9                   (B) liquefied petroleum gas fuel system that  
10 complies with:

11                           (i) the 2011 NFPA 58 Liquefied Petroleum Gas  
12 Code; and

13                           (ii) Section VII of the 2013 ASME Boiler and  
14 Pressure Vessel Code; and

15           (6) was acquired on or after September 1, 2013, or a  
16 later date established by the commission, by the person applying  
17 for the incentive under this subsection and for use or lease by  
18 that person and not for resale.

19           (b) If the commission determines that an updated version of a  
20 code or standard described by Subdivision (a) (5) is more stringent  
21 than the version of the code or standard described by Subdivision  
22 (a) (5), the commission by rule may provide that a vehicle for which  
23 a person applies for an incentive under Subsection (a) is eligible  
24 for the incentive only if the vehicle complies with the updated  
25 version of the code or standard.

26           (c) The incentive under Subsection (a) is limited to 1,000  
27 vehicles for each state fiscal biennium.

28           (d) A new light-duty motor vehicle powered by an electric  
29 drive is eligible for a \$2,500 incentive if the vehicle:

1           (1) has four wheels;  
2           (2) was manufactured for use primarily on public  
3 streets, roads, and highways;  
4           (3) has not been modified from the original  
5 manufacturer's specifications;  
6           (4) has a maximum speed capability of at least 55 miles  
7 per hour;  
8           (5) is propelled to a significant extent by an electric  
9 motor that draws electricity from a hydrogen fuel cell or from a  
10 battery that:  
11                 (A) has a capacity of not less than four kilowatt  
12 hours; and  
13                 (B) is capable of being recharged from an external  
14 source of electricity; and  
15           (6) was acquired on or after September 1, 2013, or a  
16 later date as established by the commission, by the person applying  
17 for the incentive under this subsection and for use or lease by  
18 that person and not for resale.  
19           (e) The incentive under Subsection (d) is limited to 2,000  
20 vehicles for each state fiscal biennium.  
21           Sec. 386.155. MANUFACTURER'S REPORT. (a) At the beginning  
22 of but not later than July 1 of each year preceding the vehicle  
23 model year, a manufacturer of motor vehicles, an intermediate or  
24 final state vehicle manufacturer, or a manufacturer of compressed  
25 natural gas or liquefied petroleum gas systems shall provide to the  
26 commission a list of the new vehicle or natural gas or liquefied  
27 petroleum gas systems models that the manufacturer intends to sell  
28 in this state during that model year that meet the incentive  
29 requirements established under Section 386.154. The manufacturer



1 or installer may supplement the list provided to the commission  
2 under this section as necessary to include additional new vehicle  
3 models the manufacturer intends to sell in this state during the  
4 model year.

5 (b) The commission may supplement the information provided  
6 under Subsection (a) with additional information on available  
7 vehicle models, including information provided by manufacturers or  
8 installers of systems to convert new motor vehicles to operate on  
9 natural gas or liquefied petroleum gas before sale as a new vehicle  
10 or within 500 miles of operation of the vehicle following first  
11 sale.

12 Sec. 386.156. LIST OF ELIGIBLE MOTOR VEHICLES. (a) On  
13 August 1 of each year the commission shall publish a list of new  
14 motor vehicle models eligible for inclusion in an incentive under  
15 this subchapter. The commission shall publish supplements to that  
16 list as necessary to include additional new vehicle models.

17 (b) The commission shall publish the list of eligible motor  
18 vehicle models on the commission's Internet website.

19 Sec. 386.157. LIGHT-DUTY MOTOR VEHICLE PURCHASE OR LEASE  
20 INCENTIVE. (a) A person who purchases or leases a new light-duty  
21 motor vehicle described by Section 386.154 and listed under Section  
22 386.156(a) is eligible to apply for an incentive under this  
23 subchapter.

24 (b) A lease incentive for a new light-duty motor vehicle  
25 shall be prorated based on a three-year lease term.

26 (c) To receive money under an incentive program provided by  
27 this subchapter, the purchaser or lessee of a new light-duty motor  
28 vehicle who is eligible to apply for an incentive under this  
29 subchapter shall apply for the incentive in the manner provided by

1 law or by rule of the commission.

2 Sec. 386.158. COMMISSION TO ACCOUNT FOR MOTOR VEHICLE  
3 PURCHASE OR LEASE INCENTIVES. (a) The commission by rule shall  
4 develop a method to administer and account for the motor vehicle  
5 purchase or lease incentives authorized by this subchapter and to  
6 pay incentive money to the purchaser or lessee of a new motor  
7 vehicle, on application of the purchaser or lessee as provided by  
8 this subchapter.

9 (b) The commission shall develop and publish forms and  
10 instructions for the purchaser or lessee of a new motor vehicle to  
11 use in applying to the commission for an incentive payment under  
12 this subchapter. The commission shall make the forms available to  
13 new motor vehicle dealers and leasing agents. Dealers and leasing  
14 agents shall make the forms available to their prospective  
15 purchasers or lessees.

16 (c) The commission may require the submission of forms and  
17 documentation as needed to verify eligibility for an incentive  
18 under this subchapter.

19 Sec. 386.159. PURCHASE OR LEASE INCENTIVES INFORMATION.

20 (a) The commission shall establish a toll-free telephone number  
21 available to motor vehicle dealers and leasing agents for the  
22 dealers and agents to call to verify that incentives are available.  
23 The commission may provide for issuing verification numbers over  
24 the telephone line.

25 (b) Reliance by a dealer or leasing agent on information  
26 provided by the commission is a complete defense to an action  
27 involving or based on eligibility of a vehicle for an incentive or  
28 availability of vehicles eligible for an incentive.

29 Sec. 386.160. RESERVATION OF INCENTIVES. The commission may

1 provide for dealers and leasing agents to reserve for a limited  
2 time period incentives for vehicles that are not readily available  
3 and must be ordered, if the dealer or leasing agent has a purchase  
4 or lease order signed by an identified customer.

5 SECTION \_\_\_\_\_. The heading to Subchapter D-1, Chapter 386,  
6 Health and Safety Code, is amended to read as follows:

7 SUBCHAPTER D-1. SEAPORT AND RAIL YARD AREAS EMISSIONS REDUCTION  
8 [DRAYAGE TRUCK INCENTIVE] PROGRAM

9 SECTION \_\_\_\_\_. The heading to Section 386.181, Health and  
10 Safety Code, is amended to read as follows:

11 Sec. 386.181. DEFINITIONS ~~[DEFINITION]~~; RULES.

12 SECTION \_\_\_\_\_. Section 386.181(a), Health and Safety Code, is  
13 amended to read as follows:

14 (a) In this subchapter:

15 (1) "Cargo handling equipment" means any heavy-duty non-  
16 road, self-propelled vehicle or land-based equipment used at a  
17 seaport or rail yard to lift or move cargo, such as containerized,  
18 bulk, or break-bulk goods.

19 (2) "Drayage [~~,"drayage~~] truck" means a heavy-duty on-  
20 road or non-road vehicle that is used for drayage activities and  
21 that operates in or transgresses through [~~truck that transports a~~  
22 ~~load to or from~~] a seaport or rail yard for the purpose of loading,  
23 unloading, or transporting cargo, including transporting empty  
24 containers and chassis.

25 (3) "Repower" means to replace an old engine powering a  
26 vehicle with a new engine, a used engine, a remanufactured engine,  
27 or electric motors, drives, or fuel cells.

28 SECTION \_\_\_\_\_. Section 386.182, Health and Safety Code, is  
29 amended to read as follows:

1       Sec. 386.182. COMMISSION DUTIES. (a) The commission shall:

2           (1) develop a purchase incentive program to encourage  
3 owners to:

4           (A) replace older drayage trucks and cargo handling  
5 equipment [~~with pre-2007 model year engines~~] with newer drayage  
6 trucks and cargo handling equipment; or

7           (B) repower drayage trucks and cargo handling  
8 equipment; and

9           (2) [~~shall~~] adopt guidelines necessary to implement the  
10 program described by Subdivision (1).

11       (b) The commission by rule and guideline shall establish  
12 criteria for the engines the models of drayage trucks and cargo  
13 handling equipment that are eligible for inclusion in an incentive  
14 program under this subchapter. [~~The guidelines must provide that a~~  
15 ~~drayage truck owner is not eligible for an incentive payment under~~  
16 ~~this subchapter unless the truck being replaced contains a pre-2007~~  
17 ~~model year engine and the replacement truck's engine is from model~~  
18 ~~year 2010 or later as determined by the commission and that the~~  
19 ~~truck operates at a seaport or rail yard.]~~

20       SECTION \_\_\_\_\_. The heading to Section 386.183, Health and  
21 Safety Code, is amended to read as follows:

22       Sec. 386.183. DRAYAGE TRUCK AND CARGO HANDLING EQUIPMENT  
23 PURCHASE INCENTIVE.

24       SECTION \_\_\_\_\_. Section 386.183, Health and Safety Code, is  
25 amended by amending Subsections (a), (b), (c), (d), and (e) and  
26 adding Subsection (a-1) to read as follows:

27       (a) To be eligible for an incentive under this subchapter, a  
28 person must:

29           (1) purchase a replacement drayage truck, piece of cargo

1 handling equipment, or engine that under Subsection (a-1)(1)(A) or  
2 (2)(A), as applicable, and the guidelines adopted by the commission  
3 under Section 386.182 is eligible for inclusion in the program for  
4 an incentive under this subchapter; and

5 (2) agree to:

6 (A) register the drayage truck in this state, if  
7 the replacement or repowered vehicle is an on-road drayage truck;

8 (B) operate the replacement or repowered drayage  
9 truck or cargo handling equipment in and within a maximum distance  
10 established by the commission of a seaport or rail yard in a  
11 nonattainment area of this state for not less than 50 percent of  
12 the truck's or equipment's [vehicle's] annual mileage or hours of  
13 operation, as determined by the commission; and

14 (C) permanently remove the [a pre-2007] drayage  
15 truck, cargo handling equipment, or engine replaced under the  
16 program [containing a pre-2007 engine owned by the person] from  
17 operation in a nonattainment area of this state by destroying the  
18 engine in accordance with guidelines established by the commission,  
19 and if the incentive is for a replacement drayage truck or cargo  
20 handling equipment, scrapping the truck or equipment after the  
21 purchase of the replacement [new] truck or equipment in accordance  
22 with guidelines established by the commission.

23 (a-1) To be eligible for purchase under this program:

24 (1) a drayage truck or cargo handling equipment must:

25 (A) be powered by an electric motor or contain an  
26 engine certified to the current federal emissions standards  
27 applicable to that type of engine, as determined by the commission;  
28 and

29 (B) emit oxides of nitrogen at a rate that is at

1 least 25 percent less than the rate at which the truck or equipment  
2 being replaced under the program emits such pollutants;

3 (2) an engine repowering a drayage truck or cargo  
4 handling equipment must:

5 (A) be an electric motor or an engine certified to  
6 the current federal emissions standards applicable to that type of  
7 engine, as determined by the commission; and

8 (B) emit oxides of nitrogen at a rate that is at  
9 least 25 percent less than the rate at which the former engine in  
10 the truck or equipment being repowered under the program emits such  
11 pollutants.

12 (b) To receive money under an incentive program provided by  
13 this subchapter, the purchaser of a drayage truck, piece of cargo  
14 handling equipment, or engine eligible for inclusion in the program  
15 must apply for the incentive in the manner provided by law, rule,  
16 or guideline of the commission.

17 (c) Not more than one incentive may be provided for each  
18 drayage truck or piece of cargo handling equipment purchased or  
19 repowered.

20 (d) An incentive provided under this subchapter may be used  
21 to fund not more than 80 percent of, as applicable, the purchase  
22 price of:

23 (1) the drayage truck or cargo handling equipment; or

24 (2) the engine and any other eligible costs associated  
25 with repowering the drayage truck or cargo handling equipment, as  
26 determined by the commission.

27 (e) The commission shall establish procedures to verify that  
28 a person who receives an incentive:

29 (1) has operated in a seaport or rail yard and owned or

1 leased the drayage truck or cargo handling equipment to be replaced  
2 or repowered for at least two years prior to receiving the grant;  
3 and

4 (2) as applicable:

5 (A) after the purpose of the replacement drayage  
6 truck or cargo handling equipment, permanently destroys the engine  
7 and scraps the [drayage] truck or equipment replaced under the  
8 program [that contained the pre-2007 engine owned or leased by the  
9 person], in accordance with guidelines established by the  
10 commission; or

11 (B) after repowering the drayage truck or cargo  
12 handling equipment, permanently destroys the engine that was  
13 contained in the truck or equipment in accordance with the  
14 guidelines established by the commission [after the purchase of  
15 the new truck].

16 SECTION \_\_\_\_\_. Section 386.252, Health and Safety Code, is  
17 amended to read as follows:

18 Sec. 386.252. USE OF FUND. (a) Money in the fund may be  
19 used only to implement and administer programs established under  
20 the plan. Subject to the reallocation of funds by the commission  
21 under Subsection (g), money [Money] appropriated to the commission  
22 to be used for the programs under Section 386.051(b) shall  
23 initially be allocated as follows:

24 (1) [not more than] four percent may be used for the  
25 clean school bus program under Chapter 390;

26 (2) [not more than] three percent may be used for the  
27 new technology implementation grant program under Chapter 391, from  
28 which at least \$1 million will be set aside for electricity storage  
29 projects related to renewable energy;

1           (3) five percent may ~~[shall]~~ be used for the clean fleet  
2 program under Chapter 392;

3           (4) not more than \$3 million may be used by the  
4 commission to fund a regional air monitoring program in commission  
5 Regions 3 and 4 to be implemented under the commission's oversight,  
6 including direction regarding the type, number, location, and  
7 operation of, and data validation practices for, monitors funded by  
8 the program through a regional nonprofit entity located in North  
9 Texas having representation from counties, municipalities, higher  
10 education institutions, and private sector interests across the  
11 area;

12           (5) 10 ~~[not less than 16]~~ percent may ~~[shall]~~ be used  
13 for the Texas natural gas vehicle grant program under Chapter 394;

14           (6) not more than \$6 million ~~[five percent]~~ may be used  
15 ~~[to provide grants for natural gas fueling stations under the clean~~  
16 ~~transportation triangle program under Section 394.010;~~

17           ~~[(7) not more than five percent may be used]~~ for the  
18 Texas alternative fueling facilities program under Chapter 393, of  
19 which a specified amount may be used for fueling stations to  
20 provide natural gas fuel, except that money may not be allocated  
21 for the Texas alternative fueling facilities program for the state  
22 fiscal year ending August 31, 2019;

23           (7) ~~[(8)]~~ not more than \$750,000 ~~[a specified amount]~~  
24 may be used each year to support research related to air quality as  
25 provided by Chapter 387;

26           (8) ~~[(9)]~~ not more than \$200,000 may be used for a  
27 health effects study~~+~~

28           ~~[(10) \$500,000 is to be deposited in the state treasury~~  
29 ~~to the credit of the clean air account created under Section~~



1 ~~382.0622 to supplement funding for air quality planning activities~~  
2 ~~in affected counties];~~

3 (9) ~~[-11-]~~ at least \$6 ~~[\$4]~~ million but not more than \$8  
4 ~~[and up to four percent to a maximum of \$7] million[, whichever is~~  
5 ~~greater,]~~ is allocated to the commission for administrative costs,  
6 including all direct and indirect costs for administering the plan  
7 and costs for conducting outreach and education activities, and  
8 costs attributable to the review or approval of applications for  
9 marketable emissions reduction credits;

10 (10) ~~six~~ ~~[-12-]~~ at least ~~two~~ percent ~~[and up to five~~  
11 ~~percent of the fund is to]~~ may be used by the commission for the  
12 seaport and rail yard areas emissions reduction ~~[drayage truck~~  
13 ~~incentive]~~ program established under Subchapter D-1;

14 (11) ~~[-13-]~~ not more than five percent may be used for  
15 the light-duty motor vehicle purchase or lease incentive program  
16 established under Subchapter D;

17 (12) ~~[-14-]~~ not more than \$216,000 is allocated to the  
18 commission to contract with the Energy Systems Laboratory at the  
19 Texas A&M Engineering Experiment Station annually for the  
20 development and annual computation of creditable statewide  
21 emissions reductions obtained through wind and other renewable  
22 energy resources for the state implementation plan;

23 (13) not more than \$500,000 may be used for studies of  
24 or pilot programs for incentives for port authorities located in  
25 nonattainment areas or affected counties to encourage cargo  
26 movement that reduces emissions of nitrogen oxides and particulate  
27 matter; ~~[-15-] 1.5 percent of the money in the fund is allocated for~~  
28 ~~administrative costs incurred by the laboratory]; and~~

29 (14) ~~[-16-]~~ the balance is to be used by the commission

1 for the diesel emissions reduction incentive program under  
2 Subchapter C as determined by the commission.

3 (b) ~~[The commission may allocate unexpended money designated~~  
4 ~~for the clean fleet program under Chapter 392 to other programs~~  
5 ~~described under Subsection (a) after the commission allocates money~~  
6 ~~to recipients under the clean fleet program.~~

7 ~~[(c) The commission may allocate unexpended money designated~~  
8 ~~for the Texas alternative fueling facilities program under Chapter~~  
9 ~~393 to other programs described under Subsection (a) after the~~  
10 ~~commission allocates money to recipients under the alternative~~  
11 ~~fueling facilities program.~~

12 ~~[(d) The commission may reallocate money designated for the~~  
13 ~~Texas natural gas vehicle grant program under Chapter 394 to other~~  
14 ~~programs described under Subsection (a) if:~~

15 ~~[(1) the commission, in consultation with the governor~~  
16 ~~and the advisory board, determines that the use of the money in the~~  
17 ~~fund for that program will cause the state to be in noncompliance~~  
18 ~~with the state implementation plan to the extent that federal~~  
19 ~~action is likely; and~~

20 ~~[(2) the commission finds that the reallocation of some~~  
21 ~~or all of the funding for the program would resolve the~~  
22 ~~noncompliance.~~

23 ~~[(e) Under Subsection (d), the commission may not reallocate~~  
24 ~~more than the minimum amount of money necessary to resolve the~~  
25 ~~noncompliance.~~

26 ~~[(e-1) Money allocated under Subsection (a) to a particular~~  
27 ~~program may be used for another program under the plan as~~  
28 ~~determined by the commission.~~

29 ~~[(f)]~~ Money in the fund may be used by the commission for

1 programs under Sections 386.051(b)(13), (b)(14), and (b-1) as may  
2 be appropriated for those programs.

3 (c) [~~(g)~~] If the legislature does not specify amounts or  
4 percentages from the total appropriation to the commission to be  
5 allocated under Subsection (a) or (b) [~~(f)~~], the commission shall  
6 determine the amounts of the total appropriation to be allocated  
7 under each of those subsections, such that the total appropriation  
8 is expended while maximizing emissions reductions.

9 (d) To supplement funding for air quality planning activities  
10 in affected counties, \$500,000 from the fund is to be deposited  
11 annually in the state treasury to the credit of the clean air  
12 account created under Section 382.0622.

13 (e) Money in the fund may be allocated for administrative  
14 costs incurred by the Energy Systems Laboratory at the Texas A&M  
15 Engineering Experiment Station as may be appropriated by the  
16 legislature.

17 (f) To the extent that money is appropriated from the fund  
18 for that purpose, not more than \$2.5 million may be used by the  
19 commission to conduct research and other activities associated with  
20 making any necessary demonstrations to the United States  
21 Environmental Protection Agency to account for the impact of  
22 foreign emissions or an exceptional event.

23 (g) To the extent that money is appropriated from the fund  
24 for that purpose, the commission may use that money to award grants  
25 under the governmental alternative fuel fleet grant program  
26 established under Chapter 395, except that the commission may not  
27 use for that purpose more than three percent of the balance of the  
28 fund as of September 1 of each state fiscal year of the biennium  
29 for the governmental alternative fuel fleet grant program in that

1 fiscal year.

2 (g) [~~h~~] Subject to the limitations outlined in this section  
3 and any additional limitations placed on the use of the  
4 appropriated funds, money allocated under this section to a  
5 particular program may be used for another program under the plan  
6 as determined by the commission, based on demand for grants for  
7 eligible projects under particular programs after the commission  
8 solicits projects to which to award grants according to the initial  
9 allocation provisions of this section.

10 SECTION \_\_\_\_\_. Section 390.001, Health and Safety Code, is  
11 amended by amending Subdivision (1) and adding Subdivision (1-a) to  
12 read as follows:

13 (1) "Commission" means the Texas Commission on Environmental  
14 Quality.

15 SECTION \_\_\_\_\_. Section 390.002(b), Health and Safety Code, is  
16 amended to read as follows:

17 (b) Projects that may be considered for a grant under the  
18 program include:

19 (1) diesel oxidation catalysts for school buses built  
20 before 1994;

21 (2) diesel particulate filters for school buses built  
22 from 1994 to 1998;

23 (3) the purchase and use of emission-reducing add-on  
24 equipment for school buses, including devices that reduce crankcase  
25 emissions;

26 (4) the use of qualifying fuel; [~~and~~]

27 (5) other technologies that the commission finds will  
28 bring about significant emissions reductions; and

29 (6) replacement of a pre-2007 model year school bus.

1       SECTION \_\_\_\_\_. Section 390.004, Health and Safety Code, is  
2 amended by adding Subsections (c) and (d) to read as follows:

3       (c) A school bus proposed for replacement must:

4           (1) be of model year 2006 or earlier;

5           (2) have been owned and operated by the applicant for at  
6 least the two years before submission of the grant application;

7           (3) be in good operational condition; and

8           (4) be currently used on a regular, daily route to and  
9 from a school.

10       (d) A school bus proposed for purchase to replace a pre-2007  
11 model year school bus must be of the current model year or the year  
12 before the current model year at the time of submission of the  
13 grant application.

14       SECTION \_\_\_\_\_. Section 390.005, Health and Safety Code, is  
15 amended to read as follows:

16       Sec. 390.005. RESTRICTION ON USE OF GRANT. (a) A recipient  
17 of a grant under this chapter shall use the grant to pay the  
18 incremental costs of the project for which the grant is made, which  
19 may include the reasonable and necessary expenses incurred for the  
20 labor needed to install emissions-reducing equipment. The  
21 recipient may not use the grant to pay the recipient's  
22 administrative expenses.

23       (b) A school bus acquired to replace an existing school bus  
24 must be purchased and the grant recipient must agree to own and  
25 operate the school bus on a regular, daily route to and from a  
26 school for at least five years after a start date established by  
27 the commission, based on the date the commission accepts  
28 documentation of the permanent destruction or permanent removal of  
29 the school bus being replaced.

1        (c) A school bus replaced under this program must be rendered  
2 permanently inoperable by crushing the bus, by making a hole in the  
3 engine block and permanently destroying the frame of the bus, or by  
4 another method approved by the commission, or be permanently  
5 removed from operation in this state. The commission shall  
6 establish criteria for ensuring the permanent destruction or  
7 permanent removal of the engine or bus. The commission shall  
8 enforce the destruction and removal requirements. In this section,  
9 "permanent removal" means the permanent export of a school bus or  
10 the engine of a school bus to a destination outside of the United  
11 States, Canada, or the United Mexican States.

12        SECTION \_\_\_\_\_. Section 390.006, Health and Safety Code, is  
13 amended to read as follows:

14        Sec. 390.006. EXPIRATION. This chapter expires on the last  
15 day of the state fiscal biennium during which the commission  
16 publishes in the Texas Register the notice required by Section  
17 382.037 [August 31, 2019].

18        SECTION \_\_\_\_\_. Section 391.002(b), Health and Safety Code, is  
19 amended to read as follows:

20        (b) Projects that may be considered for a grant under the  
21 program include:

22                (1) advanced clean energy projects, as defined by  
23 Section 382.003;

24                (2) new technology projects that reduce emissions of  
25 regulated pollutants from stationary ~~[point]~~ sources;

26                (3) new technology projects that reduce emissions from  
27 upstream and midstream oil and gas production, completions,  
28 gathering, storage, processing, and transmission activities  
29 through:

1                   (A) the replacement, repower, or retrofit of  
2 stationary compressor engines;

3                   (B) the installation of systems to reduce or  
4 eliminate the loss of gas, flaring of gas, or burning of gas using  
5 other combustion control devices; or

6                   (C) the installation of systems that reduce flaring  
7 emissions and other site emissions by capturing waste heat to  
8 generate electricity solely for on-site service; and

9                   (4) ~~[-3-]~~ electricity storage projects related to  
10 renewable energy, including projects to store electricity produced  
11 from wind and solar generation that provide efficient means of  
12 making the stored energy available during periods of peak energy  
13 use.

14           SECTION \_\_\_\_\_. Section 391.102(f), Health and Safety Code, is  
15 amended to read as follows:

16           (f) In reviewing a grant application under this chapter  
17 ~~[coordinating interagency application review procedures]~~, the  
18 commission may ~~[shall]~~:

19                   (1) solicit review and comments from:

20                           (A) the comptroller to assess:

21                                   (i) the financial stability of the applicant;

22                                   (ii) the economic benefits and job creation  
23 potential associated with the project; and

24                                   (iii) any other information related to the  
25 duties of that office;

26                           (B) the Public Utility Commission of Texas to  
27 assess:

28                                   (i) the reliability of the proposed  
29 technology;

1 (ii) the feasibility and cost-effectiveness of  
2 electric transmission associated with the project; and

3 (iii) any other information related to the  
4 duties of that agency; and

5 (C) the Railroad Commission of Texas to assess:

6 (i) the availability and cost of the fuel  
7 involved with the project; and

8 (ii) any other information related to the  
9 duties of that agency; and

10 (2) consider the comments received under Subdivision (1)  
11 in the commission's grant award decision process~~[, and~~

12 ~~[(3) as part of the report required by Section 391.104,~~  
13 ~~justify awards made to projects that have been negatively reviewed~~  
14 ~~by agencies under Subdivision (1)].~~

15 SECTION \_\_\_\_\_. Section 391.104, Health and Safety Code, is  
16 amended to read as follows:

17 Sec. 391.104. REPORTING REQUIREMENTS. The commission  
18 ~~[annually]~~ shall include in the biennial plan report required by  
19 Section 386.057(b) information ~~[prepare a report]~~ that summarizes  
20 the applications received and grants awarded in the preceding  
21 biennium ~~[year]~~. Preparation of the information for the report ~~may~~  
22 ~~[must]~~ include the participation of any ~~[the]~~ state agency  
23 ~~[agencies]~~ involved in the review of applications under Section  
24 391.102, if the commission determines participation of the agency  
25 is needed.

26 SECTION \_\_\_\_\_. Section 391.205(a), Health and Safety Code, is  
27 amended to read as follows:

28 (a) Except as provided by Subsection (c), in awarding grants  
29 under this chapter the commission shall give preference to projects



1 that:

2 (1) involve the transport, use, recovery for use, or  
3 prevention of the loss of natural resources originating or produced  
4 in this state;

5 (2) contain an energy efficiency component; ~~[or]~~

6 (3) include the use of solar, wind, or other renewable  
7 energy sources; or

8 (4) recover waste heat from the combustion of natural  
9 resources and use the heat to generate electricity.

10 SECTION \_\_\_\_\_. Section 391.304, Health and Safety Code, is  
11 amended to read as follows:

12 Sec. 391.304. EXPIRATION. This chapter expires on the last  
13 day of the state fiscal biennium during which the commission  
14 publishes in the Texas Register the notice required by Section  
15 382.037 ~~[August 31, 2019]~~.

16 SECTION \_\_\_\_\_. Section 392.001(1), Health and Safety Code, is  
17 amended to read as follows:

18 (1) "Alternative fuel" means a fuel other than gasoline  
19 or diesel fuel, including electricity, compressed natural gas,  
20 liquefied ~~[liquified]~~ natural gas, hydrogen, propane, or a mixture  
21 of fuels containing at least 85 percent methanol by volume.

22 SECTION \_\_\_\_\_. Sections 392.002(b) and (c), Health and Safety  
23 Code, are amended to read as follows:

24 (b) An entity that places 10 ~~[20]~~ or more qualifying vehicles  
25 in service for use entirely in this state during a calendar year is  
26 eligible to participate in the program.

27 (c) Notwithstanding Subsection (b), an entity that submits a  
28 grant application for 10 ~~[20]~~ or more qualifying vehicles is  
29 eligible to participate in the program even if the commission

1 denies approval for one or more of the vehicles during the  
2 application process.

3 SECTION \_\_\_\_\_. Section 392.003(a), Health and Safety Code, is  
4 amended to read as follows:

5 (a) A vehicle is a qualifying vehicle that may be considered  
6 for a grant under the program if during the eligibility period  
7 established by the commission [~~calendar year~~] the entity purchases  
8 a new on-road vehicle that:

9 (1) is certified to the appropriate current federal  
10 emissions standards as determined by the commission;

11 (2) replaces a diesel-powered on-road vehicle of the  
12 same weight classification and use; and

13 (3) is a hybrid vehicle or fueled by an alternative  
14 fuel.

15 SECTION \_\_\_\_\_. Section 392.004(d), Health and Safety Code, is  
16 amended to read as follows:

17 (d) The commission shall minimize, to the maximum extent  
18 possible, the amount of paperwork required for an application. [~~An~~  
19 ~~applicant may be required to submit a photograph or other~~  
20 ~~documentation of a vehicle identification number, registration~~  
21 ~~information, inspection information, tire condition, or engine~~  
22 ~~block identification only if the photograph or documentation is~~  
23 ~~requested by the commission after the commission has decided to~~  
24 ~~award a grant to the applicant under this chapter.]~~

25 SECTION \_\_\_\_\_. Section 392.005, Health and Safety Code, is  
26 amended by amending Subsections (c) and (i) and adding Subsection  
27 (c-1) to read as follows:

28 (c) As a condition of receiving a grant, the qualifying  
29 vehicle must be continuously owned, registered, and operated in the

1 state by the grant recipient until the earlier of the fifth  
2 anniversary of the activity start date established by the  
3 commission [~~the date of reimbursement of the grant-funded expenses~~]  
4 or [~~until~~] the date the vehicle has been in operation for 400,000  
5 miles after the activity start date established by the commission  
6 [~~of reimbursement~~]. Not less than 75 percent of the annual use of  
7 the qualifying vehicle, either mileage or fuel use as determined by  
8 the commission, must occur in the state.

9 (c-1) For purposes of Subsection (c), the commission shall  
10 establish the activity start date based on the date the commission  
11 accepts verification of the disposition of the vehicle being  
12 replaced.

13 (i) The executive director may [~~shall~~] waive the requirements  
14 of Subsection (b)(2)(A) on a finding of good cause, which may  
15 include a waiver for short lapses in registration or operation  
16 attributable to economic conditions, seasonal work, or other  
17 circumstances.

18 SECTION \_\_\_\_\_. Section 392.008, Health and Safety Code, is  
19 amended to read as follows:

20 Sec. 392.008. EXPIRATION. This chapter expires on the last  
21 day of the state fiscal biennium during which the commission  
22 publishes in the Texas Register the notice required by Section  
23 382.037 [~~August 31, 2017~~].

24 SECTION \_\_\_\_\_. Section 393.001, Health and Safety Code, is  
25 amended by amending Subdivision (1) and adding Subdivision (1-a) to  
26 read as follows:

27 (1) "Alternative fuel" means a fuel other than gasoline  
28 or diesel fuel, other than biodiesel fuel, including electricity,  
29 compressed natural gas, liquefied [~~liquified~~] natural gas,

hydrogen, propane, or a mixture of fuels containing at least 85 percent methanol by volume.

(1-a) "Clean transportation zone" means:

(A) counties containing or intersected by a portion of an interstate highway connecting the cities of Houston, San Antonio, Dallas, and Fort Worth;

(B) counties located within the area bounded by the interstate highways described by Paragraph (A);

(C) counties containing or intersected by a portion of:

(i) an interstate highway connecting San Antonio to Corpus Christi or Laredo;

(ii) the most direct route using highways in the state highway system connecting Corpus Christi and Laredo; or

(iii) a highway or corridor connecting Corpus Christi and Houston;

(D) counties located within the area bounded by the highways described by Paragraph (C);

(E) counties in this state all or part of which are included in a nonattainment area designated under Section 107(d) of the federal Clean Air Act (42 U.S.C. Section 7407); and

(F) counties designated as affected counties under Section 386.001.

SECTION \_\_\_\_ . Section 393.002, Health and Safety Code, is amended to read as follows:

Sec. 393.002. PROGRAM. (a) The commission shall establish and administer the Texas alternative fueling facilities program to provide fueling facilities for alternative fuel in the clean transportation zone [~~nonattainment areas~~]. Under the program, the

1 commission shall provide a grant for each eligible facility to  
2 offset the cost of those facilities.

3 (b) An entity that constructs or[7] reconstructs[~~7~~~~or~~  
4 ~~acquires~~] an alternative fueling facility is eligible to  
5 participate in the program.

6 (c) To ensure that alternative fuel vehicles have access to  
7 fuel and to build the foundation for a self-sustaining market for  
8 alternative fuels in Texas, the commission shall provide for  
9 strategically placed fueling facilities in the clean transportation  
10 zone to enable an alternative fuel vehicle to travel in those areas  
11 relying solely on the alternative fuel.

12 (d) The commission shall maintain a listing to be made  
13 available to the public online of all vehicle fueling facilities  
14 that have received grant funding, including location and hours of  
15 operation.

16 SECTION \_\_\_\_\_. Section 393.003, Health and Safety Code, is  
17 amended by amending Subsections (a) and (b) and adding Subsections  
18 (d) and (e) to read as follows:

19 (a) An entity operating in this state that constructs or[7]  
20 reconstructs[~~7~~~~or~~~~acquires~~] a facility to [~~store, compress, or~~]  
21 dispense alternative fuels may apply for and receive a grant under  
22 the program.

23 (b) The commission may [~~adopt guidelines to~~] allow a regional  
24 planning commission, council of governments, or similar regional  
25 planning agency created under Chapter 391, Local Government Code,  
26 or a private nonprofit organization to apply for and receive a  
27 grant to improve the ability of the program to achieve its goals.

28 (d) An application for a grant under the program must include  
29 a certification that the applicant complies with laws, rules,

guidelines, and requirements applicable to taxation of fuel provided by the applicant at each fueling facility owned or operated by the applicant. The commission may terminate a grant awarded under this section without further obligation to the grant recipient if the commission determines that the recipient did not comply with a law, rule, guideline, or requirement described by this subsection. This subsection does not create a cause of action to contest an application or award of a grant.

(e) The commission shall disburse grants under the program through a competitive application selection process to offset a portion of the eligible costs.

SECTION \_\_\_\_ . Section 393.004, Health and Safety Code, is amended to read as follows:

Sec. 393.004. ELIGIBILITY OF FACILITIES FOR GRANTS. (a) In addition to the requirements of this chapter, the commission shall establish additional eligibility and prioritization criteria as needed to implement the program ~~[The commission by rule shall establish criteria for prioritizing facilities eligible to receive grants under this chapter. The commission shall review and revise the criteria as appropriate].~~

(b) The prioritization criteria established under Subsection (a) must provide that, for each grant round, the commission may not award a grant to an entity that does not ~~[To be eligible for a grant under the program, the entity receiving the grant must]~~ agree to make the alternative fueling facility accessible and available to the public ~~[persons not associated with the entity]~~ at times designated by the grant contract until each eligible entity that does agree to those terms has been awarded a grant ~~[agreement].~~

(c) The commission may not award more than one grant for each

1 facility.

2 (d) The commission may give preference to or otherwise limit  
3 grant selections to:

4 (1) fueling facilities providing specific types of  
5 alternative fuels;

6 (2) fueling facilities in a specified area or location;

7 and

8 (3) fueling facilities meeting other specified  
9 prioritization criteria established by the commission.

10 (e) For fueling facilities to provide natural gas, the  
11 commission shall give preference to:

12 (1) facilities providing both liquefied natural gas and  
13 compressed natural gas at a single location;

14 (2) facilities located not more than one mile from an  
15 interstate highway system;

16 (3) facilities located in the area in and between the  
17 Houston, San Antonio, and Dallas-Fort Worth areas; and

18 (4) facilities located in the area in and between the  
19 Corpus Christi, Laredo, and San Antonio areas [~~A recipient of a~~  
20 ~~grant under this chapter is not eligible to receive a second grant~~  
21 ~~under this chapter for the same facility~~].

22 SECTION \_\_\_\_ . Section 393.005, Health and Safety Code, is  
23 amended to read as follows:

24 Sec. 393.005. RESTRICTION ON USE OF GRANT. (a) A recipient  
25 of a grant under this chapter shall use the grant only to pay the  
26 costs of the facility for which the grant is made. The recipient  
27 may not use the grant to pay the recipient's:

28 (1) administrative expenses;

29 (2) expenses for the purchase of land or an interest in

1 land; or

2 (3) expenses for equipment or facility improvements that  
3 are not directly related to the delivery, storage, compression, or  
4 dispensing of the alternative fuel at the facility.

5 (b) Each grant must be awarded using a contract that requires  
6 the recipient to meet operational, maintenance, and reporting  
7 requirements as specified by the commission.

8 SECTION \_\_\_\_\_. Section 393.006, Health and Safety Code, is  
9 amended to read as follows:

10 Sec. 393.006. AMOUNT OF GRANT. (a) Grants awarded under  
11 this chapter for a facility to provide alternative fuels other than  
12 natural gas may not exceed [~~For each eligible facility for which a~~  
13 ~~recipient is awarded a grant under the program, the commission~~  
14 ~~shall award the grant in an amount equal to]~~ the lesser of:

15 (1) 50 percent of the sum of the actual eligible costs  
16 incurred by the grant recipient within deadlines established by the  
17 commission [~~to construct, reconstruct, or acquire the facility~~]; or

18 (2) \$600,000.

19 (b) Grants awarded under this chapter for a facility to  
20 provide natural gas may not exceed:

21 (1) \$400,000 for a compressed natural gas facility;

22 (2) \$400,000 for a liquefied natural gas facility; or

23 (3) \$600,000 for a facility providing both liquefied and  
24 compressed natural gas.

25 SECTION \_\_\_\_\_. Section 393.007, Health and Safety Code, is  
26 amended to read as follows:

27 Sec. 393.007. EXPIRATION. This chapter expires on the last  
28 day of the state fiscal biennium during which the commission  
29 publishes in the Texas Register the notice required by Section



1 382.037 [~~August 31, 2018~~].

2 SECTION \_\_\_\_\_. Section 394.001, Health and Safety Code, is  
3 amended by amending Subdivisions (1), (4), (5), and (8) and adding  
4 Subdivisions (1-a) and (7-a) to read as follows:

5 (1) "Clean transportation zone" has the meaning assigned  
6 by Section 393.001 [~~"Advisory board" means the Texas Emissions~~  
7 ~~Reduction Plan Advisory Board~~].

8 (1-a) "Certified" includes:

9 (A) new vehicle or new engine certification by the  
10 United States Environmental Protection Agency; or

11 (B) certification or approval by the United States  
12 Environmental Protection Agency of a system to convert a vehicle or  
13 engine to operate on an alternative fuel and a demonstration by the  
14 emissions data used to certify or approve the vehicle or engine, if  
15 the commission determines the testing used to obtain the emissions  
16 data is consistent with the testing required for approval of an  
17 alternative fuel conversion system for new and relatively new  
18 vehicles or engines under 40 C.F.R. Part 85.

19 (4) "Heavy-duty motor vehicle" means a motor vehicle  
20 that [~~with~~]:

21 (A) has a gross vehicle weight rating of more than  
22 8,500 pounds; and

23 (B) is certified to or has an engine certified to  
24 the United States Environmental Protection Agency's emissions  
25 standards for heavy-duty vehicles or engines.

26 (5) "Incremental cost" has the meaning assigned by  
27 Section 386.001 [~~means the difference between the manufacturer's~~  
28 ~~suggested retail price of a baseline vehicle, the documented dealer~~  
29 ~~price of a baseline vehicle, cost to lease or otherwise~~

1 ~~commercially finance a baseline vehicle, cost to repower with a~~  
2 ~~baseline engine, or other appropriate baseline cost established by~~  
3 ~~the commission, and the actual cost of the natural gas vehicle~~  
4 ~~purchase, lease, or other commercial financing, or repower].~~

5 (7-a) "Natural gas engine" means an engine that  
6 operates:

7 (A) solely on natural gas, including compressed  
8 natural gas, liquefied natural gas, or liquefied petroleum gas; or

9 (B) on a combination of diesel fuel and natural  
10 gas, including compressed natural gas, liquefied natural gas, or  
11 liquefied petroleum gas, and is capable of achieving at least 60  
12 percent displacement of diesel fuel with natural gas.

13 (8) "Natural gas vehicle" means a motor vehicle that is  
14 powered by a natural gas engine [~~receives not less than 75 percent~~  
15 ~~of its power from compressed or liquefied natural gas~~].

16 SECTION \_\_\_\_\_. Section 394.003(a), Health and Safety Code, is  
17 amended to read as follows:

18 (a) A vehicle is a qualifying vehicle that may be considered  
19 for a grant under the program if during the eligibility period  
20 established by the commission [~~calendar year~~] the entity:

21 (1) purchased, leased, or otherwise commercially  
22 financed the vehicle as a new on-road heavy-duty or medium-duty  
23 motor vehicle that:

24 (A) is a natural gas vehicle;

25 (B) is certified to the appropriate current federal  
26 emissions standards as determined by the commission; and

27 (C) replaces an on-road heavy-duty or medium-duty  
28 motor vehicle of the same weight classification and use; [~~and~~

29 [~~(D) is powered by an engine certified to:~~

1                   ~~[(i) emit not more than 0.2 grams of nitrogen~~  
2 ~~oxides per brake horsepower hour; or~~

3                   ~~[(ii) meet or exceed the United States~~  
4 ~~Environmental Protection Agency's Bin 5 standard for light-duty~~  
5 ~~engines when powering the vehicle;]~~ or

6           (2) repowered the on-road motor vehicle to a natural gas  
7 vehicle powered by a natural gas engine that[+]

8                   [(A)] is certified to the appropriate current  
9 federal emissions standards as determined by the commission[+ and

10                   ~~[(B) is:~~

11                   ~~[(i) a heavy-duty engine that is certified to~~  
12 ~~emit not more than 0.2 grams of nitrogen oxides per brake~~  
13 ~~horsepower hour; or~~

14                   ~~[(ii) certified to meet or exceed the United~~  
15 ~~States Environmental Protection Agency's Bin 5 standard for light-~~  
16 ~~duty engines when powering the vehicle].~~

17       SECTION \_\_\_\_\_. Section 394.005, Health and Safety Code, is  
18 amended by amending Subsections (a), (b), (c), (f), (g), and (i)  
19 and adding Subsection (c-1) to read as follows:

20       (a) The commission [~~by rule~~] shall establish criteria for  
21 prioritizing qualifying vehicles eligible to receive grants under  
22 this chapter. The commission shall review and revise the criteria  
23 as appropriate [~~after consultation with the advisory board~~].

24       (b) To be eligible for a grant under the program:

25           (1) the use of the qualifying vehicle must be projected  
26 to result in a reduction in emissions of nitrogen oxides of at  
27 least 25 percent as compared to the motor vehicle or engine being  
28 replaced, based on:

29           (A) the baseline emission level set by the

1 commission under Subsection (g); and

2 (B) the certified emission rate of the new vehicle;  
3 and

4 (2) the qualifying vehicle must:

5 (A) replace a heavy-duty or medium-duty motor  
6 vehicle that:

7 (i) is an on-road vehicle that has been owned,  
8 leased, or otherwise commercially financed and registered and  
9 operated by the applicant in Texas for at least the two years  
10 immediately preceding the submission of a grant application;

11 (ii) satisfies any minimum average annual  
12 mileage or fuel usage requirements established by the commission;

13 (iii) satisfies any minimum percentage of  
14 annual usage requirements established by the commission; and

15 (iv) is in operating condition and has at  
16 least two years of remaining useful life, as determined in  
17 accordance with criteria established by the commission; [ex]

18 (B) replace a heavy-duty or medium-duty motor  
19 vehicle that:

20 (i) is owned by the applicant;

21 (ii) is an on-road vehicle that has been:

22 (a) owned, leased, or otherwise  
23 commercially financed and operated in Texas as a fleet vehicle for  
24 at least the two years immediately preceding the submission of a  
25 grant application; and

26 (b) registered in a county located in the  
27 clean transportation zone for at least the two years immediately  
28 preceding the submission of a grant application; and

29 (iii) otherwise satisfies the mileage, usage,

1 and useful life requirements established under Paragraph (A) as  
2 determined by documentation associated with the vehicle; or  
3 (C) be a heavy-duty or medium-duty motor vehicle  
4 repowered with a natural gas engine that:  
5 (i) is installed in an on-road vehicle that  
6 has been owned, leased, or otherwise commercially financed and  
7 registered and operated by the applicant in Texas for at least the  
8 two years immediately preceding the submission of a grant  
9 application;  
10 (ii) satisfies any minimum average annual  
11 mileage or fuel usage requirements established by the commission;  
12 (iii) satisfies any minimum percentage of  
13 annual usage requirements established by the commission; and  
14 (iv) is installed in an on-road vehicle that,  
15 at the time of the vehicle's repowering, was in operating condition  
16 and had at least two years of remaining useful life, as determined  
17 in accordance with criteria established by the commission.  
18 (c) As a condition of receiving a grant, the qualifying  
19 vehicle must be continuously owned, leased, or otherwise  
20 commercially financed and registered and operated in the state by  
21 the grant recipient until the earlier of the fourth anniversary of  
22 the activity start date established by the commission ~~[the date of~~  
23 ~~reimbursement of the grant-funded expenses]~~ ~~or [until]~~ the date the  
24 vehicle has been in operation for 400,000 miles after the activity  
25 start date established by the commission ~~[of reimbursement]~~. Not  
26 less than 75 percent of the annual use of the qualifying vehicle,  
27 either mileage or fuel use as determined by the commission, must  
28 occur in the clean transportation zone [+  
29 ~~[(1) the counties any part of which are included in the~~

1 ~~area described by Section 394.010(a); or~~

2 ~~[(2) counties designated as nonattainment areas within~~  
3 ~~the meaning of Section 107(d) of the federal Clean Air Act (42~~  
4 ~~U.S.C. Section 7407)].~~

5 (c-1) For purposes of Subsection (c), the commission shall  
6 establish the activity start date based on the date the commission  
7 accepts verification of the disposition of the vehicle or engine.

8 (f) A heavy-duty or medium-duty motor vehicle replaced under  
9 this program must be rendered permanently inoperable by crushing  
10 the vehicle, by making a hole in the engine block and permanently  
11 destroying the frame of the vehicle, or by another method approved  
12 by the commission, or be [that] permanently removed [removes the  
13 vehicle] from operation in this state. The commission shall  
14 establish criteria for ensuring the permanent destruction or  
15 permanent removal of the engine or vehicle. The commission shall  
16 enforce the destruction and removal requirements. For purposes of  
17 this subsection, "permanent removal" means the permanent export of  
18 the vehicle or engine to a destination outside of the United  
19 States, Canada, or the United Mexican States.

20 (g) The commission shall establish baseline emission levels  
21 for emissions of nitrogen oxides for on-road heavy-duty or medium-  
22 duty motor vehicles being replaced or repowered by using the  
23 emission certification for the engine or vehicle being replaced.  
24 The commission may consider deterioration of the emission  
25 performance of the engine of the vehicle being replaced in  
26 establishing the baseline emission level. The commission may  
27 consider and establish baseline emission rates for additional  
28 pollutants of concern~~[, as determined by the commission after~~  
29 ~~consultation with the advisory board].~~

1 (i) The executive director may ~~[shall]~~ waive the requirements  
2 of Subsection (b)(2)(A)(i) or (B)(ii) on a finding of good cause,  
3 which may include short lapses in registration or operation due to  
4 economic conditions, seasonal work, or other circumstances.

5 SECTION \_\_\_\_\_. Section 394.006, Health and Safety Code, is  
6 amended to read as follows:

7 Sec. 394.006. RESTRICTION ON USE OF GRANT. A recipient of a  
8 grant under this chapter shall use the grant to pay the incremental  
9 costs of the replacement or vehicle repower for which the grant is  
10 made, which may include a portion of the initial cost of the  
11 natural gas vehicle or natural gas engine, including the cost of  
12 the natural gas fuel system and installation ~~[and the reasonable~~  
13 ~~and necessary expenses incurred for the labor needed to install~~  
14 ~~emissions-reducing equipment]~~. The recipient may not use the grant  
15 to pay the recipient's administrative expenses.

16 SECTION \_\_\_\_\_. Section 394.007(c), Health and Safety Code, is  
17 amended to read as follows:

18 (c) A person may not receive a grant under this chapter that,  
19 when combined with any other grant, tax credit, or other  
20 governmental incentive, exceeds the incremental cost of the vehicle  
21 or vehicle repower for which the grant is awarded. A person shall  
22 return to the commission the amount of a grant awarded under this  
23 chapter that, when combined with any other grant, tax credit, or  
24 other governmental incentive, exceeds the incremental cost of the  
25 vehicle or vehicle repower for which the grant is awarded.

26 SECTION \_\_\_\_\_. Sections 394.008(a) and (b), Health and Safety  
27 Code, are amended to read as follows:

28 (a) The commission shall establish ~~[adopt]~~ procedures for:

29 (1) awarding grants under this chapter to reimburse

1 eligible costs; [in the form of rebates; and]

2 (2) streamlining the grant application, contracting,  
3 reimbursement, and reporting process for qualifying natural gas  
4 vehicle purchases or repowers; and

5 (3) preapproving the award of grants to applicants who  
6 propose to purchase and replace motor vehicles described by Section  
7 394.005(b)(2)(B).

8 (b) Procedures established ~~[adopted]~~ under this section must:

9 (1) provide for the commission to compile and regularly  
10 update a listing of potentially eligible ~~[preapproved]~~ natural gas  
11 vehicles and natural gas engines that are certified to the  
12 appropriate current federal emissions standards as determined by  
13 the commission[-

14 ~~[(A) powered by natural gas engines certified to~~  
15 ~~emit not more than 0.2 grams of nitrogen oxides per brake~~  
16 ~~horsepower hour; or~~

17 ~~[(B) certified to the United States Environmental~~  
18 ~~Protection Agency's light-duty Bin 5 standard or better];~~

19 (2) ~~[if a federal standard for the calculation of~~  
20 ~~emissions reductions exists,]~~ provide a method to calculate the  
21 reduction in emissions of nitrogen oxides, volatile organic  
22 compounds, carbon monoxide, particulate matter, and sulfur  
23 compounds for each replacement or repowering;

24 (3) assign a standardized grant ~~[rebate]~~ amount for each  
25 qualifying vehicle or engine repower under Section 394.007;

26 (4) allow for processing applications ~~[rebates]~~ on an  
27 ongoing first-come, first-served basis;

28 (5) ~~[provide for contracts between the commission and~~  
29 ~~participating dealers under Section 394.009;~~



1           ~~[(6)] allow grant recipients to assign their grant funds~~  
2 ~~to participating dealers to offset the purchase or lease price;~~

3           ~~[(7)]~~ require grant applicants to identify natural gas  
4 fueling stations that are available to fuel the qualifying vehicle  
5 in the area of its use;

6           (6) ~~[(8)]~~ provide for payment not later than the 30th  
7 day after the date the request for reimbursement for an approved  
8 grant is received;

9           (7) ~~[(9)]~~ provide for application submission and  
10 application status checks using procedures established by the  
11 commission, which may include application submission and status  
12 checks to be made over the Internet; and

13           (8) ~~[(10)]~~ consolidate, simplify, and reduce the  
14 administrative work for applicants and the commission associated  
15 with grant application, contracting, reimbursement, and reporting  
16 requirements.

17       SECTION \_\_\_\_\_. Section 394.012, Health and Safety Code, is  
18 amended to read as follows:

19       Sec. 394.012. EXPIRATION. This chapter expires on the last  
20 day of the state fiscal biennium during which the commission  
21 publishes in the Texas Register the notice required by Section  
22 382.037 [August 31, 2017].

23       SECTION \_\_\_\_\_. Subtitle C, Title 5, Health and Safety Code, is  
24 amended by adding Chapter 395 to read as follows:

25       CHAPTER 395. GOVERNMENTAL ALTERNATIVE FUEL FLEET GRANT PROGRAM

26       Sec. 395.001. DEFINITIONS. In this chapter:

27           (1) "Alternative fuel" means compressed natural gas,  
28 liquefied natural gas, liquefied petroleum gas, hydrogen fuel  
29 cells, or electricity, including electricity to power fully

1 electric motor vehicles and plug-in hybrid motor vehicles.

2 (2) "Commission" means the Texas Commission on  
3 Environmental Quality.

4 (3) "Incremental cost" has the meaning assigned by  
5 Section 386.001.

6 (4) "Motor vehicle" means a self-propelled device  
7 designed for transporting persons or property on a public highway  
8 that is required to be registered under Chapter 502, Transportation  
9 Code.

10 (5) "Plug-in hybrid vehicle" has the meaning assigned by  
11 Section 2158.001, Government Code, and includes the commission.

12 (6) "Political subdivision" means a county,  
13 municipality, school district, junior college district, river  
14 authority, water district or other special district, or other  
15 political subdivision created under the constitution or a statute  
16 of this state.

17 (7) "Program" means the governmental alternative fuel  
18 fleet grant program established under this chapter.

19 (8) "State agency" has the meaning assigned by Section  
20 2151.002, Government Code.

21 Sec. 395.002. PROGRAM. (a) The commission shall establish  
22 and administer a governmental alternative fuel fleet grant program  
23 to assist an eligible applicant described by Section 395.003 in  
24 purchasing or leasing new motor vehicles that operate primarily on  
25 an alternative fuel.

26 (b) The program may provide a grant to an applicant described  
27 by Section 395.003 to:

28 (1) purchase or lease a new motor vehicle described by  
29 Section 395.004; or

1           (2) purchase, lease, or install refueling infrastructure  
2 or equipment or procure refueling services as described by Section  
3 395.005 to store and dispense alternative fuel needed for a motor  
4 vehicle described by Subdivision (1) of this subsection.

5           Sec. 395.003. ELIGIBLE APPLICANTS. (a) A state agency or  
6 political subdivision is eligible to apply for a grant under the  
7 program if the entity operates a fleet of more than 15 motor  
8 vehicles, excluding motor vehicles that are owned and operated by a  
9 private company or other third party under a contract with the  
10 entity.

11           (b) A mass transit or school transportation provider or other  
12 public entity established to provide public or school  
13 transportation services is eligible for a grant under the program.

14           Sec. 395.004. MOTOR VEHICLE REQUIREMENTS. (a) A grant  
15 recipient may purchase or lease with money from a grant under the  
16 program a new motor vehicle that is originally manufactured to  
17 operate using one or more alternative fuels or is converted to  
18 operate using one or more alternative fuels before the first retail  
19 sale of the vehicle, and that:

20           (1) has a dedicated system, dual-fuel system, or bi-fuel  
21 system; and

22           (2) if the motor vehicle is a fully electric motor  
23 vehicle or plug-in hybrid motor vehicle, has a United States  
24 Environmental Protection Agency rating of at least 75 miles per  
25 gallon equivalent or a 75-mile combined city and highway range.

26           (b) A grant recipient may not use money from a grant under  
27 the program to replace a motor vehicle, transit bus, or school bus  
28 that operates on an alternative fuel unless the replacement vehicle  
29 produces fewer emissions and has greater fuel efficiency than the

1 vehicle being replaced.

2 Sec. 395.005. REFUELING INFRASTRUCTURE, EQUIPMENT, AND  
3 SERVICES. A grant recipient may purchase, lease, or install  
4 refueling infrastructure or equipment or procure refueling services  
5 with money from a grant under the program if:

6 (1) the purchase, lease, installation, or procurement is  
7 made in conjunction with the purchase or lease of a motor vehicle  
8 as described by Section 395.004 or the conversion of a motor  
9 vehicle to operate primarily on an alternative fuel;

10 (2) the grant recipient demonstrates that a refueling  
11 station that meets the needs of the recipient is not available  
12 within five miles of the location at which the recipient's vehicles  
13 are stored or primarily used; and

14 (3) for the purchase or installation of refueling  
15 infrastructure or equipment, the infrastructure or equipment will  
16 be owned and operated by the grant recipient, and for the lease of  
17 refueling infrastructure or equipment or the procurement of  
18 refueling services, a third-party service provider engaged by the  
19 grant recipient will provide the infrastructure, equipment, or  
20 services.

21 Sec. 395.006. ELIGIBLE COSTS. (a) A motor vehicle lease  
22 agreement paid for with money from a grant under the program must  
23 have a term of at least three years.

24 (b) Refueling infrastructure or equipment purchased or  
25 installed with money from a grant under the program must be used  
26 specifically to store or dispense alternative fuel, as determined  
27 by the commission.

28 (c) A lease of or service agreement for refueling  
29 infrastructure, equipment, or services paid for with money from a

1 grant under the program must have a term of at least three years.

2 Sec. 395.007. GRANT AMOUNTS. (a) The commission may  
3 establish standardized grant amounts based on the incremental costs  
4 associated with the purchase or lease of different categories of  
5 motor vehicles, including the type of fuel used, vehicle class, and  
6 other categories the commission considers appropriate.

7 (b) In determining the incremental costs and setting the  
8 standardized grant amounts, the commission may consider the  
9 difference in cost between a new motor vehicle operated using  
10 conventional gasoline or diesel fuel and a new motor vehicle  
11 operated using alternative fuel.

12 (c) The amount of a grant for the purchase or lease of a  
13 motor vehicle may not exceed the amount of the incremental cost of  
14 the purchase or lease.

15 (d) The commission may establish grant amounts to reimburse  
16 the full cost of the purchase, lease, installation, or procurement  
17 of refueling infrastructure, equipment, or services or may  
18 establish criteria for reimbursing a percentage of the cost.

19 (e) A grant under the program may be combined with funding  
20 from other sources, including other grant programs, except that a  
21 grant may not be combined with other funding or grants from the  
22 Texas emissions reduction plan. When combined with other funding  
23 sources, a grant may not exceed the total cost to the grant  
24 recipient.

25 (f) In providing a grant for the lease of a motor vehicle  
26 under this chapter, the commission shall establish criteria:

27 (1) to offset incremental costs through an up-front  
28 payment to lower the cost basis of the lease; or

29 (2) if determined appropriate by the commission, to

1 provide for reimbursement of lease payments over no more than the  
2 period of availability of the contracted funds under applicable  
3 state law and regulation, which may be less than the required  
4 three-year lease term.

5 (g) In providing a grant for the lease of refueling  
6 infrastructure, equipment, or services, the commission shall  
7 establish criteria:

8 (1) to offset incremental costs through an up-front  
9 payment to lower the cost basis of the lease; or

10 (2) if determined appropriate by the commission, to  
11 provide for reimbursement of lease payments over no more than the  
12 period of availability of the contracted funds under applicable  
13 state law and regulation, which may be less than the required  
14 three-year lease term.

15 (h) Notwithstanding Subsection (d), the commission is not  
16 obligated to fund the full cost of the purchase, lease,  
17 installation, or procurement of refueling infrastructure,  
18 equipment, or services if those costs cannot be incurred and  
19 reimbursed over the period of availability of the funds under  
20 applicable state law and regulation.

21 Sec. 395.008. AVAILABILITY OF EMISSIONS REDUCTION CREDITS.

22 (a) A project that is funded from a grant under the program and  
23 that would generate marketable emissions reduction credits under a  
24 state or federal emissions reduction credit averaging, banking, or  
25 trading program is not eligible for funding under the program  
26 unless:

27 (1) the project includes the transfer of the credits, or  
28 the reductions that would otherwise be marketable credits, to the  
29 commission and, if applicable, the state implementation plan; and

1           (2) the credits or reductions, as applicable, are  
2 permanently retired.

3           (b) An emissions reduction generated by a purchase or lease  
4 under this chapter may be used to demonstrate conformity with the  
5 state implementation plan.

6           Sec. 395.009. USE OF GRANT MONEY BY POLITICAL SUBDIVISION. A  
7 political subdivision shall prioritize the actions listed in  
8 Section 2158.0051(b), Government Code, when using money from a  
9 grant under the program.

10          Sec. 395.010. GRANT PROCEDURES AND CRITERIA. (a) The  
11 commission shall establish specific criteria and procedures in  
12 order to implement and administer the program, including the  
13 creation and provision of application forms and guidance on the  
14 application process.

15          (b) The commission shall award a grant through a contract  
16 between the commission and the grant recipient.

17          (c) The commission shall provide an online application  
18 process for the submission of all required application documents.

19          (d) The commission may limit funding for a particular period  
20 according to priorities established by the commission, including  
21 limiting the availability of grants to specific entities, for  
22 certain types of vehicles and infrastructure, or to certain  
23 geographic areas to ensure equitable distribution of grant funds  
24 across the state.

25          (e) In awarding grants under the program, the commission  
26 shall prioritize projects in the following order:

27           (1) projects that are proposed by a state agency;

28           (2) projects that are in or near a nonattainment area;

29           (3) projects that are in an affected county, as that

1 term is defined by Section 386.001; and

2 (4) projects that will produce the greatest emissions  
3 reductions.

4 (f) In addition to the requirements under Subsection (e), in  
5 awarding grants under the program, the commission shall consider:

6 (1) the effectiveness of a proposed project in assisting  
7 an applicant in complying with Section 2158.0051, Government Code;

8 (2) the total amount of the emissions reduction that  
9 would be achieved from the project;

10 (3) the type and number of vehicles purchased or leased;

11 (4) the location of the fleet and the refueling  
12 infrastructure or equipment;

13 (5) the number of vehicles served and the rate at which  
14 vehicles are served by the refueling infrastructure or equipment;

15 (6) the amount of any matching funds committed by the  
16 applicant; and

17 (7) the schedule for project completion.

18 (g) The commission may not award more than 10 percent of the  
19 total amount awarded under the program in any fiscal year for  
20 purchasing, leasing, installing, or procuring refueling  
21 infrastructure, equipment, or services.

22 Sec. 395.011. FUNDING. The legislature may appropriate money  
23 to the commission from the Texas emissions reduction plan fund  
24 established under Section 386.251 to administer the program.

25 Sec. 395.012. ADMINISTRATIVE COSTS. In each fiscal year, the  
26 commission may use up to 1.5 percent of the total amount of money  
27 allocated to the program in that fiscal year, but not more than \$1  
28 million, for the administrative costs of the program.

29 Sec. 395.013. RULES. The commission may adopt rules as



1 necessary to implement this chapter.

2 Sec. 395.014. REPORT REQUIRED. On or before November 1 of  
3 each even-numbered year, the commission shall submit to the  
4 governor, lieutenant governor, and members of the legislature a  
5 report that includes the following information regarding awards  
6 made under the program during the preceding state fiscal biennium:

7 (1) the number of grants awarded under the program;

8 (2) the recipient of each grant awarded;

9 (3) the number of vehicles replaced;

10 (4) the number, type, and location of any refueling  
11 infrastructure, equipment, or services funded under the program;

12 (5) the total emissions reductions achieved under the  
13 program; and

14 (6) any other information the commission considers  
15 relevant.

16 Sec. 395.015. EXPIRATION. This chapter expires on the last  
17 day of the state fiscal biennium during which the commission  
18 publishes in the Texas Register the notice required by Section  
19 382.037.

20 SECTION \_\_\_\_. Sections 394.009, 394.010, and 394.011, Health  
21 and Safety Code, are repealed.

22 SECTION \_\_\_\_. As soon as practicable after the effective date  
23 of this Act, the Texas Commission on Environmental Quality shall  
24 implement the online application process required by Section  
25 395.010(c), Health and Safety Code, as added by this Act. Prior to  
26 the implementation of the online application process, the  
27 commission may accept applications for a grant under Chapter 395,  
28 Health and Safety Code, as added by this Act, in any manner  
29 provided by the commission.

1       SECTION \_\_\_\_\_. (a) The changes in law made by this Act apply  
2 only to a Texas emissions reduction plan grant awarded on or after  
3 the effective date of this Act. A grant awarded before the  
4 effective date of this Act is governed by the law in effect on the  
5 date the award was made, and the former law is continued in effect  
6 for that purpose.

7       (b) The changes in law made by this Act to Section 501.138,  
8 Transportation Code, apply only to a fee collected on or after the  
9 effective date of this Act. A fee collected before the effective  
10 date of this Act is governed by the law in effect when the fee was  
11 collected, and the former law is continued in effect for that  
12 purpose.

ADOPTED

MAY 23 2017

Secretary of the Senate

FLOOR AMENDMENT NO. 44

Amend HB 4180 (senate committee report) by adding the following SECTIONS and renumbering SECTIONS accordingly:

SECTION \_\_. Section 212.073, Local Government Code, is amended to read as follows:

Sec. 212.073. PERFORMANCE BOND; LETTER OF CREDIT.

(a) Except as provided by Subsection (b), the [The] developer must execute a performance bond for the construction of the improvements that are the subject of the contract under Section 212.071 to ensure completion of the project. The bond must be executed by a corporate surety in accordance with Chapter 2253, Government Code. The amount of the bond must be for the contract price for the improvements. The municipality may not require the developer to include in the amount of the bond any other improvement related to the development that the developer did not contract with the municipality to construct under Section 212.071.

(b) The municipality and developer may agree that, instead of a performance bond under Subsection (a), the developer may submit to the municipality an irrevocable letter of credit in the amount required under Subsection (a) for the bond. As part of the agreement, the municipality may not pay any amount to the developer, issue a building permit related to the development other than a permit necessary for the improvements that are the subject of the contract, or approve a subdivision plat for the developer until:

(1) the improvements are:

(A) complete; or

(B) in the final phase of construction if the improvements are constructed in phases; and

(2) the developer has submitted to the municipality an affidavit stating that the developer has paid all costs associated with the construction.

SECTION \_\_. Section 212.073, Local Government Code, as amended by this Act, applies only to a contract entered into under Section 212.071, Local Government Code, on or after the effective date of this Act. A contract entered into under Section 212.071, Local Government Code, before the effective date of this Act is governed by the law applicable to the contract immediately before the effective date of this Act, and that law is continued in effect for that purpose.

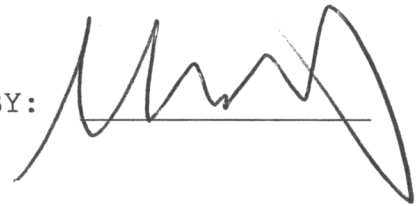
FLOOR AMENDMENT NO.

45

ADOPTED

MAY 23 2017

BY:



  
Secretary of the Senate

Amend H.B. 4180 (senate committee report) by adding the following SECTIONS and renumbering SECTIONS accordingly:

SECTION \_\_. Section 241.022(b), Health and Safety Code, is amended to read as follows:

(b) The application must contain:

(1) the name and social security number of the sole proprietor, if the applicant is a sole proprietor;

(2) the name and social security number of each general partner who is an individual, if the applicant is a partnership;

(3) the name and social security number of any individual who has an ownership interest of more than five [25] percent in the corporation, if the applicant is a corporation; and

(4) any other information that the department may reasonably require.

SECTION \_\_. Subchapter B, Chapter 241, Health and Safety Code, is amended by adding Section 241.0221 to read as follows:

Sec. 241.0221. CRIMINAL HISTORY BACKGROUND CHECK FOR LICENSE APPLICANTS. (a) This section does not apply to a governmental unit required to obtain a license under this chapter.

(b) The department shall conduct a criminal history background check on each applicant for a license under this chapter and, if the applicant is a partnership or corporation, each individual named in the application under Section 241.022(b).

(c) The executive commissioner by rule shall:

(1) determine the manner by which an applicant or individual is required to submit information for purposes of a

criminal history background check under this section; and

(2) establish criteria for determining whether an applicant is eligible for a license under this chapter based on the criminal history background check conducted under this section.

(d) The department may enter into an agreement with the Department of Public Safety to conduct the criminal history background check required under this section.

SECTION \_\_. Subchapter B, Chapter 241, Health and Safety Code, is amended by adding Section 241.0261 to read as follows:

Sec. 241.0261. INFORMATION SHARING WITH OFFICE OF INSPECTOR GENERAL. (a) The department in accordance with department rules may share with the office of inspector general of the commission information relating to an applicant for a hospital license under this chapter or a hospital license holder.

(b) Any information shared by the department under this section with the office of inspector general of the commission that is confidential under Section 241.051 must remain confidential and is not subject to disclosure under Chapter 552, Government Code.

(c) The executive commissioner shall adopt the rules necessary to implement this section.

SECTION \_\_. Section 241.051, Health and Safety Code, is amended by amending Subsection (a) and adding Subsections (a-1), (a-2), and (a-3) to read as follows:

(a) The department shall conduct an [may make any] inspection of each hospital licensed under this chapter as provided by Subsections (a-1) and (a-2), and the department may make any inspection, survey, or investigation [that] it considers necessary. A representative of the department may enter the premises of a hospital at any reasonable time to make

an inspection, a survey, or an investigation to assure compliance with or prevent a violation of this chapter, the rules adopted under this chapter, an order or special order of the commissioner, a special license provision, a court order granting injunctive relief, or other enforcement procedures. The department shall maintain the confidentiality of hospital records as applicable under state or federal law.

(a-1) The department shall adopt a schedule for the inspection of each hospital licensed under this chapter so that 10 percent of the hospitals, or as near as possible to 10 percent, are scheduled to be inspected each year. In scheduling a hospital for inspection under this subsection, the department must consider an accreditation, validation, or other full survey and must prioritize the inspection of hospitals in accordance with risk factors the department considers important, including:

- (1) the date on which a hospital was last inspected;
- (2) the number of deficiencies noted during the previous inspection of a hospital; and
- (3) the number of complaints received regarding a hospital.

(a-2) Notwithstanding Subsection (a-1), the department shall inspect a hospital licensed under this chapter at least once every three years if the hospital:

- (1) is not accredited by an accreditation body that is approved by the Centers for Medicare and Medicaid Services;
- or

- (2) does not meet the conditions of participation for certification under Title XVIII of the Social Security Act (42 U.S.C. Section 1395 et seq.).

(a-3) The department may request a copy of a hospital's latest accreditation survey at any time. The hospital shall comply with the department's request.

SECTION \_\_. Subchapter C, Chapter 241, Health and Safety Code, is amended by adding Section 241.0532 to read as follows:

Sec. 241.0532. EMERGENCY SUSPENSION. (a) The department may issue an emergency order to suspend a license issued under this chapter if the department has reasonable cause to believe that the conduct of a license holder creates an immediate danger to public health and safety. An emergency suspension is effective immediately without a hearing on notice to the license holder.

(b) Before issuing an emergency order to suspend a license under Subsection (a), the department must provide the license holder the opportunity to respond to the department's findings.

(c) After the issuance of an emergency order under this section, on written request of the license holder to the department for a hearing, the department shall refer the matter to the State Office of Administrative Hearings. An administrative law judge of the office shall conduct a hearing not earlier than the 10th day or later than the 30th day after the date the hearing request is received by the department to determine if the emergency suspension is to be continued, modified, or rescinded.

(d) The hearing and any appeal are governed by the department's rules for a contested case hearing and Chapter 2001, Government Code.

SECTION \_\_. Section 241.059, Health and Safety Code, is amended by amending Subsections (b) and (c) and adding Subsections (c-1), (c-2), and (c-3) to read as follows:

(b) In determining the amount of the penalty, the department shall consider:

- (1) the hospital's previous violations;
- (2) the seriousness of the violation;
- (3) any threat to the health, safety, or rights of



the hospital's patients;

(4) the demonstrated good faith of the hospital;

[and]

(5) the effect of the penalty on the hospital's ability to continue to provide services; and

(6) such other matters as justice may require.

(c) A ~~[The]~~ penalty assessed under this section may not exceed:

(1) \$10,000 ~~[\$1,000]~~ for each violation, if the hospital is a rural hospital with 75 beds or fewer; or

(2) \$25,000 for each violation for all other hospitals.

(c-1) Notwithstanding Subsection (c), ~~[except that]~~ the penalty for a violation of Section 166.004 shall be \$500.

(c-2) Each day of a continuing violation, other than a violation of Section 166.004, may be considered a separate violation.

(c-3) In this section, "rural hospital" means a hospital that:

(1) is designated as a critical access hospital under and in compliance with 42 U.S.C. Section 1395i-4;

(2) is classified as a rural referral center under 42 U.S.C. Section 1395ww(d)(5)(C)(i);

(3) is a sole community hospital, as defined by 42 U.S.C. Section 1395ww(d)(5)(D)(iii); or

(4) is located in a county with a population of 60,000 or less.

SECTION \_\_. Chapter 241, Health and Safety Code, is amended by adding Subchapters D and D-1 to read as follows:

SUBCHAPTER D. TRUSTEES FOR HOSPITALS

Sec. 241.081. INVOLUNTARY APPOINTMENT. (a) The department may request the attorney general to bring an action

in the name and on behalf of the state for the appointment of a trustee to operate a hospital if:

(1) the hospital is operating without a license;

(2) the department has suspended or revoked the hospital's license;

(3) license suspension or revocation procedures against the hospital are pending and the department determines that an immediate danger to public health and safety exists;

(4) the department determines that an emergency exists that presents an immediate danger to public health and safety; or

(5) the hospital is closing and arrangements for relocation of the patients to other licensed institutions have not been made before closure.

(b) A trustee appointed under Subsection (a)(5) may only ensure an orderly and safe relocation of the hospital's patients as quickly as possible.

(c) After a hearing, a court shall appoint a trustee to take charge of a hospital if the court finds that involuntary appointment of a trustee is necessary.

(d) The court shall appoint as trustee an individual whose background includes institutional medical administration.

(e) Venue for an action brought under this section is in Travis County.

(f) A court having jurisdiction of a judicial review of the matter may not order arbitration, whether on the motion of any party or on the court's own motion, to resolve the legal issues of a dispute involving the:

(1) appointment of a trustee under this section; or

(2) conduct with respect to which the appointment of a trustee is sought.

Sec. 241.082. QUALIFICATIONS OF TRUSTEES. (a) A court

may appoint a person to serve as a trustee under this subchapter only if the proposed trustee can demonstrate to the court that the proposed trustee will be:

(1) present at the hospital as required to perform the duties of a trustee; and

(2) available on call to appropriate staff at the hospital, the department, and the court as necessary during the time the trustee is not present at the hospital.

(b) A trustee shall report to the court in the event that the trustee is unable to satisfy the requirements of Subsection (a)(1) or (2).

(c) On the motion of any party or on the court's own motion, the court may replace a trustee who is unable to satisfy the requirements of Subsection (a)(1) or (2).

(d) A trustee's charges must separately identify personal hours worked for which compensation is claimed. A trustee's claim for personal compensation may include only compensation for activities related to the trusteeship and performed in or on behalf of the hospital.

Sec. 241.083. COMPENSATION; RELEASE OF FUNDS. (a) A trustee appointed under this subchapter is entitled to reasonable compensation as determined by the court. On the motion of any party, the court shall review the reasonableness of the trustee's compensation. The court shall reduce the amount if the court determines that the compensation is not reasonable.

(b) The trustee may petition the court to order the release to the trustee of any payment owed the trustee for care and services provided to the patients if the payment has been withheld, including a payment withheld by the commission at the recommendation of the department.

(c) Withheld payments may include payments withheld by a

governmental agency or other entity during the appointment of the trustee, such as payments:

- (1) for Medicaid, Medicare, or insurance;
- (2) by another third party; or
- (3) for medical expenses borne by the patient.

(d) Payments withheld under 42 C.F.R. Section 455.23 or Section 531.102(g), Government Code, are not subject to release under this section.

Sec. 241.084. COMMUNICATIONS BY TRUSTEE. (a) Except as provided by Subsection (b), a trustee appointed under this subchapter shall provide periodic reports to the department and the governing body of the hospital regarding:

(1) the status of the hospital following the emergency order to suspend the hospital's license and during the period the hospital is operated by the trustee; and

(2) each activity performed by the trustee on behalf of the hospital.

(b) A trustee is not required to report to the governing body of the hospital any information that may limit or impair the authority or activities of the trustee.

Sec. 241.085. EXEMPTION. This subchapter does not apply to a hospital owned, operated, or leased by a governmental entity.

#### SUBCHAPTER D-1. HOSPITAL PERPETUAL CARE ACCOUNT; FEE

Sec. 241.091. HOSPITAL PERPETUAL CARE ACCOUNT. (a) The hospital perpetual care account is a dedicated account in the general revenue fund.

(b) The account consists of:

(1) fees deposited to the credit of the account under this subchapter; and

(2) money transferred or appropriated to the account by the legislature.

(c) The executive commissioner shall administer the account. Money in the account may be used only to pay for department costs associated with:

(1) the storage of medical records by the department;  
and

(2) any court-ordered appointment of a trustee to operate a hospital as provided under Section 241.081, including the payment of reasonable compensation to the trustee under Section 241.083.

Sec. 241.092. HOSPITAL PERPETUAL CARE FEE. (a) The executive commissioner may impose and the department may collect a fee from each hospital in an amount necessary to maintain a balance of \$5 million in the hospital perpetual care account at all times.

(b) The fee imposed under this section shall be deposited to the credit of the hospital perpetual care account.

(c) The department shall suspend collection of the fee for the duration of a period during which the balance of the hospital perpetual care account is \$5 million or more.

SECTION \_\_\_\_\_. (a) The executive commissioner of the Health and Human Services Commission shall adopt the rules required by Chapter 241, Health and Safety Code, as amended by this Act, not later than May 1, 2018.

(b) The changes in law made by this Act apply only to an application submitted under Section 241.022, Health and Safety Code, as amended by this Act, or the assessment or imposition of an administrative penalty under Section 241.059, Health and Safety Code, as amended by this Act, for a violation that occurs on or after the effective date of this Act. An application submitted under Section 241.022 before the effective date of this Act or the assessment or imposition of an administrative penalty under Section 241.059 for a violation that occurs before

the effective date of this Act is governed by the law in effect on the date the application was submitted or the violation occurred, and that law is continued in effect for that purpose.

(c) Notwithstanding Section 6(e)(2)(B), Chapter 615 (S.B. 1367), Acts of the 83rd Legislature, Regular Session, 2013, on January 1, 2018, the commissioner of insurance shall transfer \$5 million from the fund established under Subchapter F, Chapter 1508, Insurance Code, to the hospital perpetual care account established under Section 241.091, Health and Safety Code, as added by this Act.

SECTION \_\_. Section 241.0221, Health and Safety Code, as added by this Act, applies only to an application for an original license submitted on or after the effective date of this Act. An application submitted before that date is governed by the law in effect on the date the application was submitted, and the former law is continued in effect for that purpose.

SECTION \_\_. As soon as practicable after the effective date of this Act, the executive commissioner of the Health and Human Services Commission shall adopt rules necessary to implement Section 241.0221, Health and Safety Code, as added by this Act.

FLOOR AMENDMENT NO.

46

ADOPTED

RV 20-10 Y:

MAY 23 2017

Paul Bellerant

Amend CS H.B. No. 4180 as follows:

Secretary of the Senate

(1) Designate the existing sections of the bill as Article 1 of the bill, change any references to "this Act" in those sections as "this article," and make any other changes as appropriate to reflect the designation.

(2) Add the following appropriately numbered ARTICLE to the bill:

ARTICLE \_\_\_\_

SECTION \_\_\_\_ . This article may be cited as the Texas Property Tax Reform and Relief Act of 2017.

SECTION \_\_\_\_ . Chapter 5, Tax Code, is amended by adding Section 5.01 to read as follows:

Sec. 5.01. PROPERTY TAX ADMINISTRATION ADVISORY BOARD.

(a) The comptroller shall appoint the property tax administration advisory board to advise the comptroller with respect to the division or divisions within the office of the comptroller with primary responsibility for state administration of property taxation and state oversight of appraisal districts and local tax offices. The advisory board may make recommendations to the comptroller regarding improving the effectiveness and efficiency of the property tax system, best practices, and complaint resolution procedures.

(b) The advisory board is composed of at least six members appointed by the comptroller. The members of the board should include:

(1) representatives of property tax payers, appraisal districts, and school districts; and

(2) a person who has knowledge or experience in conducting ratio studies.

1       (c) The members ~~of~~ of the advisory board serve at the  
2       pleasure of the comptroller.

3       (d) Any advice to the comptroller relating to a matter  
4       described by Subsection (a) that is provided by a member of the  
5       advisory board must be provided at a meeting called by the  
6       comptroller.

7       (e) Chapter 2110, Government Code, does not apply to the  
8       advisory board.

9       SECTION \_\_. Section 5.05, Tax Code, is amended by adding  
10      Subsection (c-1) to read as follows:

11      (c-1) An appraisal district shall appraise property in  
12      accordance with any appraisal manuals prepared and issued by the  
13      comptroller under this section.

14      SECTION \_\_. Sections 5.102(a) and (c), Tax Code, are  
15      amended to read as follows:

16      (a) At least once every two years, the comptroller shall  
17      review the governance of each appraisal district, taxpayer  
18      assistance provided, and the operating and appraisal standards,  
19      procedures, and methodology used by each appraisal district, to  
20      determine compliance with generally accepted standards,  
21      procedures, and methodology, including compliance with  
22      standards, procedures, and methodology prescribed by appraisal  
23      manuals prepared and issued by the comptroller. After  
24      consultation with the property tax administration advisory board  
25      ~~[committee created under Section 403.302, Government Code]~~, the  
26      comptroller by rule may establish procedures and standards for  
27      conducting and scoring the review.

28      (c) At the conclusion of the review, the comptroller  
29      shall, in writing, notify the appraisal district concerning its  
30      performance in the review. If the review results in a finding  
31      that an appraisal district is not in compliance with generally



1 accepted standards, procedures, and methodology, including  
2 compliance with standards, procedures, and methodology  
3 prescribed by appraisal manuals prepared and issued by the  
4 comptroller, the comptroller shall deliver a report that details  
5 the comptroller's findings and recommendations for improvement  
6 to:

7 (1) the appraisal district's chief appraiser and  
8 board of directors; and

9 (2) the superintendent and board of trustees of each  
10 school district participating in the appraisal district.

11 SECTION \_\_. Section 5.13(d), Tax Code, is amended to read  
12 as follows:

13 (d) In conducting a general audit, the comptroller shall  
14 consider and report on:

15 (1) the extent to which the district complies with  
16 applicable law or generally accepted standards of appraisal or  
17 other relevant practice, including appraisal standards and  
18 practices prescribed by appraisal manuals prepared and issued by  
19 the comptroller;

20 (2) the uniformity and level of appraisal of major  
21 kinds of property and the cause of any significant deviations  
22 from ideal uniformity and equality of appraisal of major kinds  
23 of property;

24 (3) duplication of effort and efficiency of  
25 operation;

26 (4) the general efficiency, quality of service, and  
27 qualification of appraisal district personnel; and

28 (5) except as otherwise provided by Subsection (b)  
29 ~~[of this section]~~, any other matter included in the request for  
30 the audit.

31 SECTION \_\_. Section 6.035(a-1), Tax Code, is amended to

1 read as follows:

2 (a-1) An individual is ineligible to serve on an appraisal  
3 district board of directors if the individual has engaged in the  
4 business of appraising property for compensation for use in  
5 proceedings under this title or of representing property owners  
6 for compensation in proceedings under this title in the  
7 appraisal district at any time during the preceding three [~~five~~]  
8 years.

9 SECTION \_\_. Section 6.15, Tax Code, is amended by adding  
10 Subsection (c-1) to read as follows:

11 (c-1) Subsections (a) and (b) do not prohibit a member of  
12 the board of directors of an appraisal district from  
13 transmitting to the chief appraiser without comment a complaint  
14 by a property owner or taxing unit about the appraisal of a  
15 specific property, provided that the transmission is in writing.

16 SECTION \_\_. Section 6.41, Tax Code, is amended by amending  
17 Subsections (b) and (d-9) and adding Subsections (b-1), (b-2),  
18 and (d-10) to read as follows:

19 (b) Except as provided by Subsection (b-1) or (b-2), an  
20 appraisal review [~~The~~] board consists of three members.

21 (b-1) An appraisal [~~However, the~~] district board of  
22 directors by resolution of a majority of the board's [~~its~~]  
23 members may increase the size of the district's appraisal review  
24 board to the number of members the board of directors considers  
25 appropriate.

26 (b-2) An appraisal district board of directors for a  
27 district established in a county described by Subsection (d-1)  
28 by resolution of a majority of the board's members shall  
29 increase the size of the district's appraisal review board to  
30 the number of members the board of directors considers  
31 appropriate to manage the duties of the appraisal review board,

1 including the duties of each special panel established under  
2 Section 6.425.

3 (d-9) In selecting individuals who are to serve as members  
4 of the appraisal review board, the local administrative district  
5 judge shall select an adequate number of qualified individuals  
6 to permit the chairman of the appraisal review board to fill the  
7 positions on each special panel established under Section 6.425.

8 (d-10) Upon selection of the individuals who are to serve  
9 as members of the appraisal review board, the local  
10 administrative district judge shall enter an appropriate order  
11 designating such members and setting each member's respective  
12 term of office, as provided elsewhere in this section.

13 SECTION \_\_. Section 6.414(d), Tax Code, is amended to read  
14 as follows:

15 (d) An auxiliary board member may hear taxpayer protests  
16 before the appraisal review board. An auxiliary board member  
17 may not hear taxpayer protests before a special panel  
18 established under Section 6.425 unless the member is eligible to  
19 be appointed to the special panel. If one or more auxiliary  
20 board members sit on a panel established under Section 6.425 or  
21 41.45 to conduct a protest hearing, the number of regular  
22 appraisal review board members required by that section to  
23 constitute the panel is reduced by the number of auxiliary board  
24 members sitting. An auxiliary board member sitting on a panel  
25 is considered a regular board member for all purposes related to  
26 the conduct of the hearing.

27 SECTION \_\_. Section 6.42, Tax Code, is amended by adding  
28 Subsection (d) to read as follows:

29 (d) The concurrence of a majority of the members of the  
30 appraisal review board or a panel of the board present at a  
31 meeting of the board or panel is sufficient for a

recommendation, determination, decision, or other action by the board or panel, and the concurrence of more than a majority of the members of the board or panel may not be required.

SECTION \_\_\_\_ Subchapter C, Chapter 6, Tax Code, is amended by adding Section 6.425 to read as follows:

Sec. 6.425. SPECIAL APPRAISAL REVIEW BOARD PANELS IN CERTAIN DISTRICTS. (a) This section applies only to the appraisal review board for an appraisal district described by Section 6.41(b-2).

(b) The appraisal review board shall establish a separate special panel for each of the following classifications of property to conduct protest hearings under Chapter 41 relating to property included in that classification:

(1) commercial real and personal property;

(2) real and personal property of utilities;

(3) industrial and manufacturing real and personal property; and

(4) multifamily residential real property.

(c) The chairman of the appraisal review board may establish additional special panels described by this section to conduct protest hearings relating to property included in a classification described by Subsection (b) if the chairman determines that additional panels are necessary.

(d) Each special panel described by this section consists of three members of the appraisal review board appointed by the chairman of the board.

(e) To be eligible to be appointed to a special panel described by this section, a member of the appraisal review board must:

(1) hold a juris doctor or equivalent degree;

(2) hold a master of business administration degree;

1           (3) be licensed as a certified public accountant  
2 under Chapter 901, Occupations Code;

3           (4) be accredited by the American Society of  
4 Appraisers as an accredited senior appraiser;

5           (5) possess an MAI professional designation from the  
6 Appraisal Institute;

7           (6) possess a Certified Assessment Evaluator (CAE)  
8 professional designation from the International Association of  
9 Assessing Officers;

10          (7) have at least 20 years of experience in property  
11 tax appraisal or consulting; or

12          (8) be licensed as a real estate broker or sales  
13 agent under Chapter 1101, Occupations Code.

14          (f) Notwithstanding Subsection (e), the chairman of the  
15 appraisal review board may appoint to a special panel described  
16 by this section a member of the appraisal review board who does  
17 not meet the qualifications prescribed by that subsection if:

18               (1) the number of persons appointed to the board by  
19 the local administrative district judge who meet those  
20 qualifications is not sufficient to fill the positions on each  
21 special panel; and

22               (2) the board member being appointed to the panel  
23 holds a bachelor's degree in any field.

24          SECTION \_\_. Section 11.4391(a), Tax Code, is amended to  
25 read as follows:

26          (a) The chief appraiser shall accept and approve or deny  
27 an application for an exemption for freeport goods under Section  
28 11.251 after the deadline for filing it has passed if it is  
29 filed not later than June 1 [~~before the date the appraisal~~  
30 ~~review board approves the appraisal records~~].

31          SECTION \_\_. Section 21.09(b), Tax Code, is amended to read

as follows:

(b) A person claiming an allocation must apply for the allocation each year the person claims the allocation. A person claiming an allocation must file a completed allocation application form before April [~~May~~] 1 and must provide the information required by the form. If the property was not on the appraisal roll in the preceding year, the deadline for filing the allocation application form is extended to the 30th [~~45th~~] day after the date of receipt of the notice of appraised value required by Section 25.19(a)(3). For good cause shown, the chief appraiser shall extend the deadline for filing an allocation application form by written order for a period not to exceed 30 [~~60~~] days.

SECTION \_\_\_\_ . Section 22.23, Tax Code, is amended to read as follows:

Sec. 22.23. FILING DATE. (a) Rendition statements and property reports must be delivered to the chief appraiser after January 1 and not later than April 1 [~~15~~], except as provided by Section 22.02.

(b) On written request by the property owner, the chief appraiser shall extend a deadline for filing a rendition statement or property report to a date not later than May 1 [~~15~~]. The chief appraiser may further extend the deadline an additional 15 days upon good cause shown in writing by the property owner.

(c) Notwithstanding any other provision of this section, rendition statements and property reports for property regulated by the Public Utility Commission of Texas, the Railroad Commission of Texas, the federal Surface Transportation Board, or the Federal Energy Regulatory Commission must be delivered to the chief appraiser not later than April 30, except as provided

1 by Section 22.02. The chief appraiser may extend the filing  
2 deadline 15 days for good cause on written request by the  
3 property owner.

4 SECTION \_\_. Section 23.01(b), Tax Code, is amended to read  
5 as follows:

6 (b) The market value of property shall be determined by  
7 the application of generally accepted appraisal methods and  
8 techniques, including appraisal methods and techniques  
9 prescribed by appraisal manuals prepared and issued by the  
10 comptroller. If the appraisal district determines the appraised  
11 value of a property using mass appraisal standards, the mass  
12 appraisal standards must comply with the Uniform Standards of  
13 Professional Appraisal Practice. The same or similar appraisal  
14 methods and techniques shall be used in appraising the same or  
15 similar kinds of property. However, each property shall be  
16 appraised based upon the individual characteristics that affect  
17 the property's market value, and all available evidence that is  
18 specific to the value of the property shall be taken into  
19 account in determining the property's market value.

20 SECTION \_\_. Section 25.19, Tax Code, is amended by  
21 amending Subsections (a) and (g) and adding Subsection (b-3) to  
22 read as follows:

23 (a) By April 15 [±] or as soon thereafter as practicable  
24 ~~[if the property is a single-family residence that qualifies for~~  
25 ~~an exemption under Section 11.13, or by May 1 or as soon~~  
26 ~~thereafter as practicable in connection with any other~~  
27 ~~property]~~, the chief appraiser shall deliver a clear and  
28 understandable written notice to a property owner of the  
29 appraised value of the property owner's property if:

30 (1) the appraised value of the property is greater  
31 than it was in the preceding year;

(2) the appraised value of the property is greater than the value rendered by the property owner;

(3) the property was not on the appraisal roll in the preceding year; or

(4) an exemption or partial exemption approved for the property for the preceding year was canceled or reduced for the current year.

(b-3) This subsection applies only to an appraisal district described by Section 6.41(b-2). In addition to the information required by Subsection (b), the chief appraiser shall state in a notice of appraised value of property included in a classification described by Section 6.425(b) that the property owner has the right to have a protest relating to the property heard by a special panel of the appraisal review board.

(g) By April 15 [±] or as soon thereafter as practicable ~~[if the property is a single-family residence that qualifies for an exemption under Section 11.13, or by May 1 or as soon thereafter as practicable in connection with any other property]~~, the chief appraiser shall deliver a written notice to the owner of each property not included in a notice required to be delivered under Subsection (a), if the property was reappraised in the current tax year, if the ownership of the property changed during the preceding year, or if the property owner or the agent of a property owner authorized under Section 1.111 makes a written request for the notice. The chief appraiser shall separate real from personal property and include in the notice for each property:

(1) the appraised value of the property in the preceding year;

(2) the appraised value of the property for the current year and the kind of each partial exemption, if any,



1 approved for the current year;

2 (3) a detailed explanation of the time and procedure  
3 for protesting the value; and

4 (4) the date and place the appraisal review board  
5 will begin hearing protests.

6 SECTION \_\_. Section 25.22(a), Tax Code, is amended to read  
7 as follows:

8 (a) By May 1 [~~15~~] or as soon thereafter as practicable,  
9 the chief appraiser shall submit the completed appraisal records  
10 to the appraisal review board for review and determination of  
11 protests. However, the chief appraiser may not submit the  
12 records until the chief appraiser has delivered the notices  
13 required by Subsection (d) of Section 11.45, Subsection (d) of  
14 Section 23.44, Subsection (d) of Section 23.57, Subsection (d)  
15 of Section 23.79, Subsection (d) of Section 23.85, Subsection  
16 (d) of Section 23.95, Subsection (d) of Section 23.9805, and  
17 Section 25.19.

18 SECTION \_\_. Sections 26.01(a) and (e), Tax Code, are  
19 amended to read as follows:

20 (a) By July 10 [~~25~~], the chief appraiser shall prepare and  
21 certify to the assessor for each taxing unit participating in  
22 the district that part of the appraisal roll for the district  
23 that lists the property taxable by the unit. The part certified  
24 to the assessor is the appraisal roll for the unit. The chief  
25 appraiser shall consult with the assessor for each taxing unit  
26 and notify each unit in writing by April 1 of the form in which  
27 the roll will be provided to each unit.

28 (e) Except as provided by Subsection (f), not later than  
29 May 15 [~~April 30~~], the chief appraiser shall prepare and certify  
30 to the assessor for each county, municipality, and school  
31 district participating in the appraisal district an estimate of

1 the taxable value of property in that taxing unit. The chief  
2 appraiser shall assist each county, municipality, and school  
3 district in determining values of property in that taxing unit  
4 for the taxing unit's budgetary purposes.

5 SECTION \_\_. Section 26.012(9), Tax Code, is redesignated  
6 as Section 26.012(18), Tax Code, and amended to read as follows:

7 (18) "No-new-taxes [~~(9)~~—"~~Effective~~] maintenance and  
8 operations rate" means a rate expressed in dollars per \$100 of  
9 taxable value and calculated according to the following formula:

10 NO-NEW-TAXES [~~EFFECTIVE~~] MAINTENANCE AND OPERATIONS

11 RATE = (LAST YEAR'S LEVY - LAST YEAR'S DEBT LEVY -  
12 LAST YEAR'S JUNIOR COLLEGE LEVY) / (CURRENT TOTAL  
13 VALUE - NEW PROPERTY VALUE)

14 SECTION \_\_. The heading to Section 26.04, Tax Code, is  
15 amended to read as follows:

16 Sec. 26.04. SUBMISSION OF ROLL TO GOVERNING BODY; NO-NEW-  
17 TAXES [~~EFFECTIVE~~] AND ROLLBACK TAX RATES.

18 SECTION \_\_. Section 26.04, Tax Code, is amended by  
19 amending Subsections (b), (c), (d), (e), (e-1), (f), (i), and  
20 (j) and adding Subsections (c-1), (d-1), (d-2), (d-3), (d-4),  
21 (e-2), and (h-1) to read as follows:

22 (b) The assessor shall submit the appraisal roll for the  
23 unit showing the total appraised, assessed, and taxable values  
24 of all property and the total taxable value of new property to  
25 the governing body of the unit by July 15 [~~August 1~~] or as soon  
26 thereafter as practicable. By July 15 [~~August 1~~] or as soon  
27 thereafter as practicable, the taxing unit's collector shall  
28 certify [~~an estimate of~~] the anticipated collection rate for the  
29 current year to the governing body. If the collector certified  
30 an anticipated collection rate in the preceding year and the  
31 actual collection rate in that year exceeded the anticipated

1 rate, the collector shall also certify the amount of debt taxes  
2 collected in excess of the anticipated amount in the preceding  
3 year.

4 (c) An officer or employee designated by the governing  
5 body shall calculate the no-new-taxes [~~effective~~] tax rate and  
6 the rollback tax rate for the unit, where:

7 (1) "No-new-taxes [~~Effective~~] tax rate" means a rate  
8 expressed in dollars per \$100 of taxable value calculated  
9 according to the following formula:

10 
$$\frac{\text{NO-NEW-TAXES } [\text{EFFECTIVE}] \text{ TAX RATE} - (\text{LAST YEAR'S}$$
  
11 
$$\text{LEVY} - \text{LOST PROPERTY LEVY})}{(\text{CURRENT TOTAL VALUE} -$$
  
12 
$$\text{NEW PROPERTY VALUE})}$$

13 ; and

14 (2) "Rollback tax rate" means a rate expressed in  
15 dollars per \$100 of taxable value calculated according to the  
16 following formula:

17 
$$\text{ROLLBACK TAX RATE} = \frac{(\text{NO-NEW-TAXES } [\text{EFFECTIVE}]$$
  
18 
$$\text{MAINTENANCE AND OPERATIONS RATE} \times 1.05 \text{ } [\text{1.08}])}{\text{CURRENT DEBT RATE}}$$

20 (c-1) Notwithstanding any other provision of this section,  
21 the governing body may direct the designated officer or employee  
22 to substitute "1.08" for "1.05" in the calculation of the  
23 rollback tax rate if any part of the taxing unit is located in  
24 an area declared a disaster area during the current tax year by  
25 the governor or by the president of the United States.

26 (d) The no-new-taxes [~~effective~~] tax rate for a county is  
27 the sum of the no-new-taxes [~~effective~~] tax rates calculated for  
28 each type of tax the county levies, and the rollback tax rate  
29 for a county is the sum of the rollback tax rates calculated for  
30 each type of tax the county levies.

31 (d-1) As soon as practicable after the designated officer

1 or employee calculates the no-new-taxes tax rate and the  
2 rollback tax rate of the taxing unit, the designated officer or  
3 employee shall submit the worksheets used in calculating the  
4 rates to the county assessor-collector for each county in which  
5 all or part of the territory of the unit is located. The county  
6 assessor-collector or an employee designated by the county  
7 assessor-collector shall determine whether the values used in  
8 the calculation of those tax rates are the same as the values  
9 shown in the unit's appraisal roll and the tax rates have  
10 otherwise been calculated correctly. If the county assessor-  
11 collector or designated employee makes such a determination, the  
12 county assessor-collector shall:

13 (1) execute a written certification to that effect,  
14 attach the certification to each worksheet, and submit the  
15 worksheets to the governing body of the unit; and

16 (2) notify the unit's designated officer or employee  
17 of the submission of the worksheets with the attached  
18 certifications to the governing body.

19 (d-2) The designated officer or employee of the taxing  
20 unit may not submit the no-new-taxes tax rate and the rollback  
21 tax rate to the governing body of the unit and the governing  
22 body of the unit may not adopt a tax rate until the county  
23 assessor-collector for each county in which the unit is located  
24 submits to the governing body of the unit the worksheets used to  
25 calculate each tax rate with the certification described by  
26 Subsection (d-1) attached.

27 (d-3) The comptroller shall adopt rules governing the form  
28 of the certification described by Subsection (d-1) and the  
29 manner in which the worksheets with the attached certifications  
30 are required to be submitted to the governing body of the taxing  
31 unit.

1        (d-4) Notwithstanding Subsection (d-1), in the 2017 tax  
2 year, the designated officer or employee of each taxing unit  
3 shall submit to the county assessor-collector for each county in  
4 which all or part of the territory of the unit is located the  
5 worksheets used by the designated officer or employee to  
6 calculate the effective and rollback tax rates of the unit for  
7 the 2013-2017 tax years not later than October 1, 2017. This  
8 subsection expires December 31, 2018.

9        (e) By July 22 [~~August 7~~] or as soon thereafter as  
10 practicable, the designated officer or employee shall submit the  
11 rates and the worksheets used to calculate the rates to the  
12 governing body. By July 27, the designated officer or employee  
13 [He] shall deliver by mail to each property owner in the unit or  
14 publish in a newspaper in the form prescribed by the  
15 comptroller:

16            (1) the no-new-taxes [~~effective~~] tax rate, the  
17 rollback tax rate, and an explanation of how they were  
18 calculated;

19            (2) the estimated amount of interest and sinking fund  
20 balances and the estimated amount of maintenance and operation  
21 or general fund balances remaining at the end of the current  
22 fiscal year that are not encumbered with or by corresponding  
23 existing debt obligation;

24            (3) a schedule of the unit's debt obligations  
25 showing:

26            (A) the amount of principal and interest that  
27 will be paid to service the unit's debts in the next year from  
28 property tax revenue, including payments of lawfully incurred  
29 contractual obligations providing security for the payment of  
30 the principal of and interest on bonds and other evidences of  
31 indebtedness issued on behalf of the unit by another political

subdivision and, if the unit is created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, payments on debts that the unit anticipates to incur in the next calendar year;

(B) the amount by which taxes imposed for debt are to be increased because of the unit's anticipated collection rate; and

(C) the total of the amounts listed in Paragraphs (A)-(B), less any amount collected in excess of the previous year's anticipated collections certified as provided in Subsection (b);

(4) the amount of additional sales and use tax revenue anticipated in calculations under Section 26.041;

(5) a statement that the adoption of a tax rate equal to the no-new-taxes [effective] tax rate would result in an increase or decrease, as applicable, in the amount of taxes imposed by the unit as compared to last year's levy, and the amount of the increase or decrease;

(6) in the year that a taxing unit calculates an adjustment under Subsection (i) or (j), a schedule that includes the following elements:

(A) the name of the unit discontinuing the department, function, or activity;

(B) the amount of property tax revenue spent by the unit listed under Paragraph (A) to operate the discontinued department, function, or activity in the 12 months preceding the month in which the calculations required by this chapter are made; and

(C) the name of the unit that operates a distinct department, function, or activity in all or a majority of the territory of a taxing unit that has discontinued

1 operating the distinct department, function, or activity; and

2 (7) in the year following the year in which a taxing  
3 unit raised its rollback tax rate as required by Subsection (j),  
4 a schedule that includes the following elements:

5 (A) the amount of property tax revenue spent by  
6 the unit to operate the department, function, or activity for  
7 which the taxing unit raised the rollback tax rate as required  
8 by Subsection (j) for the 12 months preceding the month in which  
9 the calculations required by this chapter are made; and

10 (B) the amount published by the unit in the  
11 preceding tax year under Subdivision (6) (B).

12 (e-1) The tax rate certification requirements imposed by  
13 Subsections (d-1) and (d-2) and the notice requirements imposed  
14 by Subsections (e) (1)-(6) do not apply to a school district.

15 (e-2) The governing body of a taxing unit shall include as  
16 an appendix to the unit's budget for a fiscal year the  
17 worksheets used by the designated officer or employee of the  
18 unit to calculate the no-new-taxes tax rate and the rollback tax  
19 rate of the unit for the tax year in which the fiscal year  
20 begins.

21 (f) If as a result of consolidation of taxing units a  
22 taxing unit includes territory that was in two or more taxing  
23 units in the preceding year, the amount of taxes imposed in each  
24 in the preceding year is combined for purposes of calculating  
25 the no-new-taxes [~~effective~~] and rollback tax rates under this  
26 section.

27 (h-1) Notwithstanding Subsection (h), the assessor may not  
28 certify an anticipated collection rate under Subsection (b) that  
29 is lower than the lowest actual collection rate in the preceding  
30 three years.

31 (i) This subsection applies to a taxing unit that has

1 agreed by written contract to transfer a distinct department,  
2 function, or activity to another taxing unit and discontinues  
3 operating that distinct department, function, or activity if the  
4 operation of that department, function, or activity in all or a  
5 majority of the territory of the taxing unit is continued by  
6 another existing taxing unit or by a new taxing unit. The  
7 rollback tax rate of a taxing unit to which this subsection  
8 applies in the first tax year in which a budget is adopted that  
9 does not allocate revenue to the discontinued department,  
10 function, or activity is calculated as otherwise provided by  
11 this section, except that last year's levy used to calculate the  
12 no-new-taxes ~~[effective]~~ maintenance and operations rate of the  
13 unit is reduced by the amount of maintenance and operations tax  
14 revenue spent by the taxing unit to operate the department,  
15 function, or activity for the 12 months preceding the month in  
16 which the calculations required by this chapter are made and in  
17 which the unit operated the discontinued department, function,  
18 or activity. If the unit did not operate that department,  
19 function, or activity for the full 12 months preceding the month  
20 in which the calculations required by this chapter are made, the  
21 unit shall reduce last year's levy used for calculating the no-  
22 new-taxes ~~[effective]~~ maintenance and operations rate of the  
23 unit by the amount of the revenue spent in the last full fiscal  
24 year in which the unit operated the discontinued department,  
25 function, or activity.

26 (j) This subsection applies to a taxing unit that had  
27 agreed by written contract to accept the transfer of a distinct  
28 department, function, or activity from another taxing unit and  
29 operates a distinct department, function, or activity if the  
30 operation of a substantially similar department, function, or  
31 activity in all or a majority of the territory of the taxing



1 unit has been discontinued by another taxing unit, including a  
2 dissolved taxing unit. The rollback tax rate of a taxing unit  
3 to which this subsection applies in the first tax year after the  
4 other taxing unit discontinued the substantially similar  
5 department, function, or activity in which a budget is adopted  
6 that allocates revenue to the department, function, or activity  
7 is calculated as otherwise provided by this section, except that  
8 last year's levy used to calculate the no-new-taxes ~~[effective]~~  
9 maintenance and operations rate of the unit is increased by the  
10 amount of maintenance and operations tax revenue spent by the  
11 taxing unit that discontinued operating the substantially  
12 similar department, function, or activity to operate that  
13 department, function, or activity for the 12 months preceding  
14 the month in which the calculations required by this chapter are  
15 made and in which the unit operated the discontinued department,  
16 function, or activity. If the unit did not operate the  
17 discontinued department, function, or activity for the full 12  
18 months preceding the month in which the calculations required by  
19 this chapter are made, the unit may increase last year's levy  
20 used to calculate the no-new-taxes ~~[effective]~~ maintenance and  
21 operations rate by an amount not to exceed the amount of  
22 property tax revenue spent by the discontinuing unit to operate  
23 the discontinued department, function, or activity in the last  
24 full fiscal year in which the discontinuing unit operated the  
25 department, function, or activity.

26 SECTION \_\_. Section 26.041, Tax Code, is amended by  
27 amending Subsections (a), (b), (c), (e), (g), and (h) and adding  
28 Subsection (c-1) to read as follows:

29 (a) In the first year in which an additional sales and use  
30 tax is required to be collected, the no-new-taxes ~~[effective]~~  
31 tax rate and rollback tax rate for the unit are calculated

1 according to the following formulas:

2 
$$\frac{\text{NO-NEW-TAXES } [\text{EFFECTIVE}] \text{ TAX RATE} = [(\text{LAST YEAR'S}$$
  
3 
$$\text{LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} -$$
  
4 
$$\text{NEW PROPERTY VALUE})] - \text{SALES TAX GAIN RATE}$$

5 and

6 
$$\text{ROLLBACK } \underline{\text{TAX}} \text{ RATE} = (\text{NO-NEW-TAXES } [\text{EFFECTIVE}]$$
  
7 
$$\text{MAINTENANCE AND OPERATIONS RATE} \times \underline{1.05} \text{ } [1.08]) +$$
  
8 
$$\text{CURRENT DEBT RATE} - \text{SALES TAX GAIN RATE}$$

9 where "sales tax gain rate" means a number expressed in dollars  
10 per \$100 of taxable value, calculated by dividing the revenue  
11 that will be generated by the additional sales and use tax in  
12 the following year as calculated under Subsection (d) [~~of this~~  
13 ~~section~~] by the current total value.

14 (b) Except as provided by Subsections (a) and (c) [~~of this~~  
15 ~~section~~], in a year in which a taxing unit imposes an additional  
16 sales and use tax the rollback tax rate for the unit is  
17 calculated according to the following formula, regardless of  
18 whether the unit levied a property tax in the preceding year:

19 
$$\text{ROLLBACK } \underline{\text{TAX}} \text{ RATE} = [(\text{LAST YEAR'S MAINTENANCE AND}$$
  
20 
$$\text{OPERATIONS EXPENSE} \times \underline{1.05} \text{ } [1.08]) / ([\text{TOTAL}] \text{ CURRENT}$$
  
21 
$$\underline{\text{TOTAL}} \text{ VALUE} - \text{NEW PROPERTY VALUE})] + (\text{CURRENT DEBT}$$
  
22 
$$\text{RATE} - \text{SALES TAX REVENUE RATE})$$

23 where "last year's maintenance and operations expense" means the  
24 amount spent for maintenance and operations from property tax  
25 and additional sales and use tax revenues in the preceding year,  
26 and "sales tax revenue rate" means a number expressed in dollars  
27 per \$100 of taxable value, calculated by dividing the revenue  
28 that will be generated by the additional sales and use tax in  
29 the current year as calculated under Subsection (d) [~~of this~~  
30 ~~section~~] by the current total value.

31 (c) In a year in which a taxing unit that has been

1 imposing an additional sales and use tax ceases to impose an  
2 additional sales and use tax the no-new-taxes ~~[effective]~~ tax  
3 rate and rollback tax rate for the unit are calculated according  
4 to the following formulas:

5 
$$\text{NO-NEW-TAXES } \text{[EFFECTIVE]} \text{ TAX RATE} = [(\text{LAST YEAR'S}$$
  
6 
$$\text{LEVY} - \text{LOST PROPERTY LEVY}) / (\text{CURRENT TOTAL VALUE} -$$
  
7 
$$\text{NEW PROPERTY VALUE})] + \text{SALES TAX LOSS RATE}$$

8 and

9 
$$\text{ROLLBACK TAX RATE} = [(\text{LAST YEAR'S MAINTENANCE AND}$$
  
10 
$$\text{OPERATIONS EXPENSE} \times \text{1.05 } \text{[1.08]}) / ([\text{TOTAL}] \text{ CURRENT}$$
  
11 
$$\text{TOTAL VALUE} - \text{NEW PROPERTY VALUE})] + \text{CURRENT DEBT RATE}$$

12 where "sales tax loss rate" means a number expressed in dollars  
13 per \$100 of taxable value, calculated by dividing the amount of  
14 sales and use tax revenue generated in the last four quarters  
15 for which the information is available by the current total  
16 value and "last year's maintenance and operations expense" means  
17 the amount spent for maintenance and operations from property  
18 tax and additional sales and use tax revenues in the preceding  
19 year.

20 (c-1) Notwithstanding any other provision of this section,  
21 the governing body may direct the designated officer or employee  
22 to substitute "1.08" for "1.05" in the calculation of the  
23 rollback tax rate if any part of the taxing unit is located in  
24 an area declared a disaster area during the current tax year by  
25 the governor or by the president of the United States.

26 (e) If a city that imposes an additional sales and use tax  
27 receives payments under the terms of a contract executed before  
28 January 1, 1986, in which the city agrees not to annex certain  
29 property or a certain area and the owners or lessees of the  
30 property or of property in the area agree to pay at least  
31 annually to the city an amount determined by reference to all or

1 a percentage of the property tax rate of the city and all or a  
2 part of the value of the property subject to the agreement or  
3 included in the area subject to the agreement, the governing  
4 body, by order adopted by a majority vote of the governing body,  
5 may direct the designated officer or employee to add to the no-  
6 new-taxes [~~effective~~] and rollback tax rates the amount that,  
7 when applied to the total taxable value submitted to the  
8 governing body, would produce an amount of taxes equal to the  
9 difference between the total amount of payments for the tax year  
10 under contracts described by this subsection under the rollback  
11 tax rate calculated under this section and the total amount of  
12 payments for the tax year that would have been obligated to the  
13 city if the city had not adopted an additional sales and use  
14 tax.

15 (g) If the rate of the additional sales and use tax is  
16 increased, the designated officer or employee shall make two  
17 projections, in the manner provided by Subsection (d) [~~of this~~  
18 ~~section~~], of the revenue generated by the additional sales and  
19 use tax in the following year. The first projection must take  
20 into account the increase and the second projection must not  
21 take into account the increase. The officer or employee shall  
22 then subtract the amount of the result of the second projection  
23 from the amount of the result of the first projection to  
24 determine the revenue generated as a result of the increase in  
25 the additional sales and use tax. In the first year in which an  
26 additional sales and use tax is increased, the no-new-taxes  
27 [~~effective~~] tax rate for the unit is the no-new-taxes  
28 [~~effective~~] tax rate before the increase minus a number the  
29 numerator of which is the revenue generated as a result of the  
30 increase in the additional sales and use tax, as determined  
31 under this subsection, and the denominator of which is the

1 current total value minus the new property value.

2 (h) If the rate of the additional sales and use tax is  
3 decreased, the designated officer or employee shall make two  
4 projections, in the manner provided by Subsection (d) [~~of this~~  
5 ~~section~~], of the revenue generated by the additional sales and  
6 use tax in the following year. The first projection must take  
7 into account the decrease and the second projection must not  
8 take into account the decrease. The officer or employee shall  
9 then subtract the amount of the result of the first projection  
10 from the amount of the result of the second projection to  
11 determine the revenue lost as a result of the decrease in the  
12 additional sales and use tax. In the first year in which an  
13 additional sales and use tax is decreased, the no-new-taxes  
14 [~~effective~~] tax rate for the unit is the no-new-taxes  
15 [~~effective~~] tax rate before the decrease plus a number the  
16 numerator of which is the revenue lost as a result of the  
17 decrease in the additional sales and use tax, as determined  
18 under this subsection, and the denominator of which is the  
19 current total value minus the new property value.

20 SECTION \_\_. The heading to Section 26.043, Tax Code, is  
21 amended to read as follows:

22 Sec. 26.043. ROLLBACK AND NO-NEW-TAXES [~~EFFECTIVE~~] TAX  
23 RATES [~~RATE~~] IN CITY IMPOSING MASS TRANSIT SALES AND USE TAX.

24 SECTION \_\_. Sections 26.043(a) and (b), Tax Code, are  
25 amended to read as follows:

26 (a) In the tax year in which a city has set an election on  
27 the question of whether to impose a local sales and use tax  
28 under Subchapter H, Chapter 453, Transportation Code, the  
29 officer or employee designated to make the calculations provided  
30 by Section 26.04 may not make those calculations until the  
31 outcome of the election is determined. If the election is

1 determined in favor of the imposition of the tax, the  
2 representative shall subtract from the city's rollback and no-  
3 new-taxes [~~effective~~] tax rates the amount that, if applied to  
4 the city's current total value, would impose an amount equal to  
5 the amount of property taxes budgeted in the current tax year to  
6 pay for expenses related to mass transit services.

7 (b) In a tax year to which this section applies, a  
8 reference in this chapter to the city's no-new-taxes [~~effective~~]  
9 or rollback tax rate refers to that rate as adjusted under this  
10 section.

11 SECTION \_\_\_\_\_. The heading to Section 26.044, Tax Code, is  
12 amended to read as follows:

13 Sec. 26.044. NO-NEW-TAXES [~~EFFECTIVE~~] TAX RATE TO PAY FOR  
14 STATE CRIMINAL JUSTICE MANDATE.

15 SECTION \_\_\_\_\_. Sections 26.044(a), (b), and (c), Tax Code,  
16 are amended to read as follows:

17 (a) The first time that a county adopts a tax rate after  
18 September 1, 1991, in which the state criminal justice mandate  
19 applies to the county, the no-new-taxes [~~effective~~] maintenance  
20 and operation rate for the county is increased by the rate  
21 calculated according to the following formula:

22 (State Criminal Justice Mandate) / (Current Total  
23 Value - New Property Value)

24 (b) In the second and subsequent years that a county  
25 adopts a tax rate, if the amount spent by the county for the  
26 state criminal justice mandate increased over the previous year,  
27 the no-new-taxes [~~effective~~] maintenance and operation rate for  
28 the county is increased by the rate calculated according to the  
29 following formula:

30 (This Year's State Criminal Justice Mandate -  
31 Previous Year's State Criminal Justice Mandate) /

(Current Total Value - New Property Value)

(c) The county shall include a notice of the increase in the no-new-taxes ~~[effective]~~ maintenance and operation rate provided by this section, including a description and amount of the state criminal justice mandate, in the information published under Section 26.04(e) and Section 26.06(b) ~~[of this code]~~.

SECTION \_\_. Sections 26.0441(a), (b), and (c), Tax Code, are amended to read as follows:

(a) In the first tax year in which a taxing unit adopts a tax rate after January 1, 2000, and in which the enhanced minimum eligibility standards for indigent health care established under Section 61.006, Health and Safety Code, apply to the taxing unit, the no-new-taxes ~~[effective]~~ maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

$$\text{Amount of Increase} = \frac{\text{Enhanced Indigent Health Care Expenditures}}{(\text{Current Total Value} - \text{New Property Value})}$$

(b) In each subsequent tax year, if the taxing unit's enhanced indigent health care expenses exceed the amount of those expenses for the preceding year, the no-new-taxes ~~[effective]~~ maintenance and operations rate for the taxing unit is increased by the rate computed according to the following formula:

$$\text{Amount of Increase} = \frac{(\text{Current Tax Year's Enhanced Indigent Health Care Expenditures} - \text{Preceding Tax Year's Indigent Health Care Expenditures})}{(\text{Current Total Value} - \text{New Property Value})}$$

(c) The taxing unit shall include a notice of the increase in its no-new-taxes ~~[effective]~~ maintenance and operations rate provided by this section, including a brief description and the

1 amount of the enhanced indigent health care expenditures, in the  
2 information published under Section 26.04(e) and, if applicable,  
3 Section 26.06(b).

4 SECTION \_\_. Section 26.05, Tax Code, is amended by  
5 amending Subsections (a), (b), (c), (d), and (g) and adding  
6 Subsection (e-1) to read as follows:

7 (a) The governing body of each taxing unit~~[, before the~~  
8 ~~later of September 30 or the 60th day after the date the~~  
9 ~~certified appraisal roll is received by the taxing unit,]~~ shall  
10 adopt a tax rate for the current tax year and shall notify the  
11 assessor for the unit of the rate adopted. The governing body  
12 must adopt a tax rate before the later of September 30 or the  
13 60th day after the date the certified appraisal roll is received  
14 by the taxing unit, except that the governing body must adopt a  
15 tax rate that exceeds the rollback tax rate before August 15.

16 The tax rate consists of two components, each of which must be  
17 approved separately. The components are:

18 (1) for a taxing unit other than a school district,  
19 the rate that, if applied to the total taxable value, will  
20 impose the total amount published under Section 26.04(e)(3)(C),  
21 less any amount of additional sales and use tax revenue that  
22 will be used to pay debt service, or, for a school district, the  
23 rate calculated under Section 44.004(c)(5)(A)(ii)(b), Education  
24 Code; and

25 (2) the rate that, if applied to the total taxable  
26 value, will impose the amount of taxes needed to fund  
27 maintenance and operation expenditures of the unit for the next  
28 year.

29 (b) A taxing unit may not impose property taxes in any  
30 year until the governing body has adopted a tax rate for that  
31 year, and the annual tax rate must be set by ordinance,



1 resolution, or order, depending on the method prescribed by law  
2 for adoption of a law by the governing body. The vote on the  
3 ordinance, resolution, or order setting the tax rate must be  
4 separate from the vote adopting the budget. For a taxing unit  
5 other than a school district, the vote on the ordinance,  
6 resolution, or order setting a tax rate that exceeds the no-new-  
7 taxes [~~effective~~] tax rate must be a record vote, and at least  
8 60 percent of the members of the governing body must vote in  
9 favor of the ordinance, resolution, or order. For a school  
10 district, the vote on the ordinance, resolution, or order  
11 setting a tax rate that exceeds the sum of the no-new-taxes  
12 [~~effective~~] maintenance and operations tax rate of the district  
13 as determined under Section 26.08(i) and the district's current  
14 debt rate must be a record vote, and at least 60 percent of the  
15 members of the governing body must vote in favor of the  
16 ordinance, resolution, or order. A motion to adopt an  
17 ordinance, resolution, or order setting a tax rate that exceeds  
18 the no-new-taxes [~~effective~~] tax rate must be made in the  
19 following form: "I move that the property tax rate be increased  
20 by the adoption of a tax rate of (specify tax rate), which is  
21 effectively a (insert percentage by which the proposed tax rate  
22 exceeds the no-new-taxes [~~effective~~] tax rate) percent increase  
23 in the tax rate." If the ordinance, resolution, or order sets a  
24 tax rate that, if applied to the total taxable value, will  
25 impose an amount of taxes to fund maintenance and operation  
26 expenditures of the taxing unit that exceeds the amount of taxes  
27 imposed for that purpose in the preceding year, the taxing unit  
28 must:

29 (1) include in the ordinance, resolution, or order in  
30 type larger than the type used in any other portion of the  
31 document:

1 (A) the following statement: "THIS TAX RATE  
2 WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST  
3 YEAR'S TAX RATE."; and

4 (B) if the tax rate exceeds the no-new-taxes  
5 ~~[effective]~~ maintenance and operations rate, the following  
6 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT  
7 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-TAXES  
8 ~~[EFFECTIVE]~~ MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL  
9 RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY  
10 APPROXIMATELY \$(Insert amount)."; and

11 (2) include on the home page of any Internet website  
12 operated by the unit:

13 (A) the following statement: "(Insert name of  
14 unit) ADOPTED A TAX RATE THAT WILL RAISE MORE TAXES FOR  
15 MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE"; and

16 (B) if the tax rate exceeds the no-new-taxes  
17 ~~[effective]~~ maintenance and operations rate, the following  
18 statement: "THE TAX RATE WILL EFFECTIVELY BE RAISED BY (INSERT  
19 PERCENTAGE BY WHICH THE TAX RATE EXCEEDS THE NO-NEW-TAXES  
20 ~~[EFFECTIVE]~~ MAINTENANCE AND OPERATIONS RATE) PERCENT AND WILL  
21 RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY  
22 APPROXIMATELY \$(Insert amount)."

23 (c) If the governing body of a taxing unit does not adopt  
24 a tax rate before the date required by Subsection (a), the tax  
25 rate for the taxing unit for that tax year is the lower of the  
26 no-new-taxes ~~[effective]~~ tax rate calculated for that tax year  
27 or the tax rate adopted by the taxing unit for the preceding tax  
28 year. A tax rate established by this subsection is treated as  
29 an adopted tax rate. Before the fifth day after the  
30 establishment of a tax rate by this subsection, the governing  
31 body of the taxing unit must ratify the applicable tax rate in

1 the manner required by Subsection (b).

2 (d) The governing body of a taxing unit other than a  
3 school district may not adopt a tax rate that exceeds the lower  
4 of the rollback tax rate or the no-new-taxes ~~[effective]~~ tax  
5 rate calculated as provided by this chapter until the governing  
6 body has held two public hearings on the proposed tax rate and  
7 has otherwise complied with Section 26.06 and Section 26.065.  
8 The governing body of a taxing unit shall reduce a tax rate set  
9 by law or by vote of the electorate to the lower of the rollback  
10 tax rate or the no-new-taxes ~~[effective]~~ tax rate and may not  
11 adopt a higher rate unless it first complies with Section 26.06.

12 (e-1) The governing body of a taxing unit that imposes an  
13 additional sales and use tax may not adopt the component of the  
14 tax rate of the unit described by Subsection (a)(1) of this  
15 section until the chief financial officer or the auditor for the  
16 unit submits to the governing body of the unit a written  
17 certification that the amount of additional sales and use tax  
18 revenue that will be used to pay debt service has been deducted  
19 from the total amount published under Section 26.04(e)(3)(C) as  
20 required by Subsection (a)(1) of this section. The comptroller  
21 shall adopt rules governing the form of the certification  
22 required by this subsection and the manner in which it is  
23 required to be submitted.

24 (g) Notwithstanding Subsection (a), the governing body of  
25 a school district that elects to adopt a tax rate before the  
26 adoption of a budget for the fiscal year that begins in the  
27 current tax year may adopt a tax rate for the current tax year  
28 before receipt of the certified appraisal roll for the school  
29 district if the chief appraiser of the appraisal district in  
30 which the school district participates has certified to the  
31 assessor for the school district an estimate of the taxable

1 value of property in the school district as provided by Section  
2 26.01(e). If a school district adopts a tax rate under this  
3 subsection, the no-new-taxes [effective] tax rate and the  
4 rollback tax rate of the district shall be calculated based on  
5 the certified estimate of taxable value.

6 SECTION \_\_. Section 26.052(e), Tax Code, is amended to  
7 read as follows:

8 (e) Public notice provided under Subsection (c) must  
9 specify:

10 (1) the tax rate that the governing body proposes to  
11 adopt;

12 (2) the date, time, and location of the meeting of  
13 the governing body of the taxing unit at which the governing  
14 body will consider adopting the proposed tax rate; and

15 (3) if the proposed tax rate for the taxing unit  
16 exceeds the unit's no-new-taxes [effective] tax rate calculated  
17 as provided by Section 26.04, a statement substantially  
18 identical to the following: "The proposed tax rate is a tax  
19 increase and would increase total taxes in (name of taxing unit)  
20 by (percentage by which the proposed tax rate exceeds the no-  
21 new-taxes [effective] tax rate)."

22 SECTION \_\_. Section 26.06, Tax Code, is amended by  
23 amending Subsections (b), (d), and (e) and adding Subsections  
24 (b-1), (b-2), (b-3), and (b-4) to read as follows:

25 (b) The notice of a public hearing may not be smaller than  
26 one-quarter page of a standard-size or a tabloid-size newspaper,  
27 and the headline on the notice must be in 24-point or larger  
28 type. ~~[The notice must contain a statement in the following~~  
29 ~~form:~~

30 ~~["NOTICE OF PUBLIC HEARING ON TAX INCREASE~~

31 ~~["The (name of the taxing unit) will hold two public~~

~~hearings on a proposal to increase total tax revenues from properties on the tax roll in the preceding tax year by (percentage by which proposed tax rate exceeds lower of rollback tax rate or effective tax rate calculated under this chapter) percent. Your individual taxes may increase at a greater or lesser rate, or even decrease, depending on the change in the taxable value of your property in relation to the change in taxable value of all other property and the tax rate that is adopted.~~

~~["The first public hearing will be held on (date and time) at (meeting place)."]~~

~~["The second public hearing will be held on (date and time) at (meeting place)."]~~

~~["(Names of all members of the governing body, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating the absences.)"]~~

~~["The average taxable value of a residence homestead in (name of taxing unit) last year was \$\_\_\_\_\_ (average taxable value of a residence homestead in the taxing unit for the preceding tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older). Based on last year's tax rate of \$\_\_\_\_\_ (preceding year's adopted tax rate) per \$100 of taxable value, the amount of taxes imposed last year on the average home was \$\_\_\_\_\_ (tax on average taxable value of a residence homestead in the taxing unit for the preceding tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older)."]~~

~~["The average taxable value of a residence homestead in (name of taxing unit) this year is \$\_\_\_\_\_ (average taxable value of a residence homestead in the taxing unit for the current tax~~

~~year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older). If the governing body adopts the effective tax rate for this year of \$\_\_\_\_\_ (effective tax rate) per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$\_\_\_\_\_ (tax on average taxable value of a residence homestead in the taxing unit for the current tax year, disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older).~~

~~["If the governing body adopts the proposed tax rate of \$\_\_\_\_\_ (proposed tax rate) per \$100 of taxable value, the amount of taxes imposed this year on the average home would be \$\_\_\_\_\_ (tax on the average taxable value of a residence in the taxing unit for the current year disregarding residence homestead exemptions available only to disabled persons or persons 65 years of age or older).~~

~~["Members of the public are encouraged to attend the hearings and express their views."]~~

(b-1) If the proposed tax rate exceeds the no-new-taxes tax rate and the rollback tax rate of the taxing unit, the notice must contain a statement in the following form:

"NOTICE OF PUBLIC HEARING ON TAX INCREASE

|                           |                           |
|---------------------------|---------------------------|
| <u>"PROPOSED TAX RATE</u> | <u>\$ _____ per \$100</u> |
| <u>"NO-NEW-TAXES RATE</u> | <u>\$ _____ per \$100</u> |
| <u>"ROLLBACK TAX RATE</u> | <u>\$ _____ per \$100</u> |

"The no-new-taxes rate is the tax rate for the (current tax year) tax year that will raise the same amount of property tax revenue for (name of taxing unit) from the same properties in both the (preceding tax year) tax year and the (current tax year) tax year.

"The rollback tax rate is the highest tax rate that (name

1 of taxing unit) may adopt without holding an election to ratify  
2 the rate.

3 "The proposed tax rate is greater than the no-new-taxes  
4 rate. This means that (name of taxing unit) is proposing to  
5 increase property taxes for the (current tax year) tax year.

6 "A public hearing on the proposed tax rate will be held on  
7 (date and time) at (meeting place).

8 "A second public hearing will be held on (date and time) at  
9 (meeting place).

10 "The proposed tax rate is also greater than the rollback  
11 tax rate. If (name of taxing unit) adopts the proposed tax  
12 rate, (name of taxing unit) is required to hold an election so  
13 that voters may accept or reject the proposed tax rate. If a  
14 majority of voters reject the proposed tax rate, the (name of  
15 taxing unit) will be required to adopt a new tax rate that is  
16 not greater than the rollback tax rate. The election will be  
17 held on (date of election). You may contact the (name of office  
18 responsible for administering the election) for information  
19 about voting locations. The hours of voting on election day are  
20 (voting hours).

21 "Your taxes owed under any of the tax rates mentioned above  
22 can be calculated as follows:

23 "Property tax amount = tax rate x taxable value of your  
24 property / 100

25 "(Names of all members of the governing body, showing how  
26 each voted on the proposal to consider the tax increase or, if  
27 one or more were absent, indicating the absences.)"

28 (b-2) If the proposed tax rate exceeds the no-new-taxes  
29 tax rate but does not exceed the rollback tax rate of the taxing  
30 unit, the notice must contain a statement in the following form:

31 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

1        "PROPOSED TAX RATE                    \$                    per \$100

2        "NO-NEW-TAXES RATE                    \$                    per \$100

3        "ROLLBACK TAX RATE                    \$                    per \$100

4        "The no-new-taxes rate is the tax rate for the (current tax  
5 year) tax year that will raise the same amount of property tax  
6 revenue for (name of taxing unit) from the same properties in  
7 both the (preceding tax year) tax year and the (current tax  
8 year) tax year.

9        "The rollback tax rate is the highest tax rate that (name  
10 of taxing unit) may adopt without holding an election to ratify  
11 the rate.

12        "The proposed tax rate is greater than the no-new-taxes  
13 rate. This means that (name of taxing unit) is proposing to  
14 increase property taxes for the (current tax year) tax year.

15        "A public hearing on the proposed tax rate will be held on  
16 (date and time) at (meeting place).

17        "A second public hearing will be held on (date and time) at  
18 (meeting place).

19        "The proposed tax rate is not greater than the rollback tax  
20 rate. As a result, (name of taxing unit) is not required to  
21 hold an election at which voters may accept or reject the  
22 proposed tax rate. However, you may express your support for or  
23 opposition to the proposed tax rate by contacting the members of  
24 the (name of governing body) of (name of taxing unit) at their  
25 offices or by attending one of the public hearings mentioned  
26 above.

27        "Your taxes owed under any of the tax rates mentioned above  
28 can be calculated as follows:

29        "Property tax amount = tax rate x taxable value of your  
30 property / 100

31        "(Names of all members of the governing body, showing how



1 each voted on the proposal to consider the tax increase or, if  
2 one or more were absent, indicating the absences.)"

3 (b-3) If the proposed tax rate does not exceed the no-new-  
4 taxes tax rate but exceeds the rollback tax rate of the taxing  
5 unit, the notice must contain a statement in the following form:

6 "NOTICE OF PUBLIC HEARING ON TAX INCREASE

7 "PROPOSED TAX RATE \$ per \$100

8 "NO-NEW-TAXES RATE \$ per \$100

9 "ROLLBACK TAX RATE \$ per \$100

10 "The no-new-taxes rate is the tax rate for the (current tax  
11 year) tax year that will raise the same amount of property tax  
12 revenue for (name of taxing unit) from the same properties in  
13 both the (preceding tax year) tax year and the (current tax  
14 year) tax year.

15 "The rollback tax rate is the highest tax rate that (name  
16 of taxing unit) may adopt without holding an election to ratify  
17 the rate.

18 "The proposed tax rate is not greater than the no-new-taxes  
19 rate. This means that (name of taxing unit) is not proposing to  
20 increase property taxes for the (current tax year) tax year.

21 "A public hearing on the proposed tax rate will be held on  
22 (date and time) at (meeting place).

23 "A second public hearing will be held on (date and time) at  
24 (meeting place).

25 "The proposed tax rate is greater than the rollback tax  
26 rate. If (name of taxing unit) adopts the proposed tax rate,  
27 (name of taxing unit) is required to hold an election so that  
28 voters may accept or reject the proposed tax rate. If a  
29 majority of voters reject the proposed tax rate, the (name of  
30 taxing unit) will be required to adopt a new tax rate that is  
31 not greater than the rollback tax rate. The election will be

1 held on (date of election). You may contact the (name of office  
2 responsible for administering the election) for information  
3 about voting locations. The hours of voting on election day are  
4 (voting hours).

5 "Your taxes owed under any of the tax rates mentioned above  
6 can be calculated as follows:

7 "Property tax amount = tax rate x taxable value of your  
8 property / 100

9 "(Names of all members of the governing body, showing how  
10 each voted on the proposal to consider the tax increase or, if  
11 one or more were absent, indicating the absences.)"

12 (b-4) In addition to including the information described  
13 by Subsection (b-1), (b-2), or (b-3), as applicable, the notice  
14 must include the information described by Section 26.062.

15 (d) At the public hearings the governing body shall  
16 announce the date, time, and place of the meeting at which it  
17 will vote on the proposed tax rate. After each hearing the  
18 governing body shall give notice of the meeting at which it will  
19 vote on the proposed tax rate and the notice shall be in the  
20 same form as prescribed by Subsections (b) and (c), except that  
21 it must state the following:

22 "NOTICE OF TAX REVENUE INCREASE

23 "The (name of the taxing unit) conducted public hearings on  
24 (date of first hearing) and (date of second hearing) on a  
25 proposal to increase the total tax revenues of the (name of the  
26 taxing unit) from properties on the tax roll in the preceding  
27 year by (percentage by which proposed tax rate exceeds lower of  
28 rollback tax rate or no-new-taxes [~~effective tax~~] rate  
29 calculated under this chapter) percent.

30 "The total tax revenue proposed to be raised last year at  
31 last year's tax rate of (insert tax rate for the preceding year)

1 for each \$100 of taxable value was (insert total amount of taxes  
2 imposed in the preceding year).

3 "The total tax revenue proposed to be raised this year at  
4 the proposed tax rate of (insert proposed tax rate) for each  
5 \$100 of taxable value, excluding tax revenue to be raised from  
6 new property added to the tax roll this year, is (insert amount  
7 computed by multiplying proposed tax rate by the difference  
8 between current total value and new property value).

9 "The total tax revenue proposed to be raised this year at  
10 the proposed tax rate of (insert proposed tax rate) for each  
11 \$100 of taxable value, including tax revenue to be raised from  
12 new property added to the tax roll this year, is (insert amount  
13 computed by multiplying proposed tax rate by current total  
14 value).

15 "The (governing body of the taxing unit) is scheduled to  
16 vote on the tax rate that will result in that tax increase at a  
17 public meeting to be held on (date of meeting) at (location of  
18 meeting, including mailing address) at (time of meeting).

19 "The (governing body of the taxing unit) proposes to use  
20 the increase in total tax revenue for the purpose of  
21 (description of purpose of increase)."

22 (e) The meeting to vote on the tax increase may not be  
23 earlier than the third day or later than the seventh [~~14th~~] day  
24 after the date of the second public hearing. The meeting must  
25 be held inside the boundaries of the taxing unit in a publicly  
26 owned building or, if a suitable publicly owned building is not  
27 available, in a suitable building to which the public normally  
28 has access. If the governing body does not adopt a tax rate  
29 that exceeds the lower of the rollback tax rate or the no-new-  
30 taxes [~~effective~~] tax rate by the seventh [~~14th~~] day, it must  
31 give a new notice under Subsection (d) before it may adopt a

1 rate that exceeds the lower of the rollback tax rate or the no-  
2 new-taxes [~~effective~~] tax rate.

3 SECTION \_\_. Chapter 26, Tax Code, is amended by adding  
4 Sections 26.061 and 26.062 to read as follows:

5 Sec. 26.061. NOTICE OF MEETING TO VOTE ON PROPOSED TAX  
6 RATE THAT DOES NOT EXCEED LOWER OF NO-NEW-TAXES OR ROLLBACK TAX  
7 RATE. (a) This section applies only to the governing body of a  
8 taxing unit other than a school district that proposes to adopt  
9 a tax rate that does not exceed the lower of the no-new-taxes  
10 tax rate or the rollback tax rate calculated as provided by this  
11 chapter.

12 (b) The notice of the meeting at which the governing body  
13 of the taxing unit will vote on the proposed tax rate must  
14 contain a statement in the following form:

15 "NOTICE OF MEETING TO VOTE ON TAX RATE

|    |                           |           |                  |
|----|---------------------------|-----------|------------------|
| 16 | <u>"PROPOSED TAX RATE</u> | <u>\$</u> | <u>per \$100</u> |
| 17 | <u>"NO-NEW-TAXES RATE</u> | <u>\$</u> | <u>per \$100</u> |
| 18 | <u>"ROLLBACK TAX RATE</u> | <u>\$</u> | <u>per \$100</u> |

19 "The no-new-taxes rate is the tax rate for the (current tax  
20 year) tax year that will raise the same amount of property tax  
21 revenue for (name of taxing unit) from the same properties in  
22 both the (preceding tax year) tax year and the (current tax  
23 year) tax year.

24 "The rollback tax rate is the highest tax rate that (name  
25 of taxing unit) may adopt without holding an election to ratify  
26 the rate.

27 "The proposed tax rate is not greater than the no-new-taxes  
28 rate. This means that (name of taxing unit) is not proposing to  
29 increase property taxes for the (current tax year) tax year.

30 "A public meeting to vote on the proposed tax rate will be  
31 held on (date and time) at (meeting place).

1       "The proposed tax rate is also not greater than the  
2 rollback tax rate. As a result, (name of taxing unit) is not  
3 required to hold an election at which voters may accept or  
4 reject the proposed tax rate. However, you may express your  
5 support for or opposition to the proposed tax rate by contacting  
6 the members of the (name of governing body) of (name of taxing  
7 unit) at their offices or by attending the public meeting  
8 mentioned above.

9       "Your taxes owed under any of the above rates can be  
10 calculated as follows:

11       "Property tax amount = tax rate x taxable value of your  
12 property / 100

13       "(Names of all members of the governing body, showing how  
14 each voted on the proposed tax rate or, if one or more were  
15 absent, indicating the absences.)"

16       (c) In addition to including the information described by  
17 Subsection (b), the notice must include the information  
18 described by Section 26.062.

19       Sec. 26.062. ADDITIONAL INFORMATION TO BE INCLUDED IN TAX  
20 RATE NOTICE. (a) In addition to the information described by  
21 Section 26.06(b-1), (b-2), or (b-3) or 26.061, as applicable, a  
22 notice required by that provision must include at the end of the  
23 notice:

24           (1) a statement in the following form:

25       "The following table compares the taxes imposed on the  
26 average residence homestead by (name of taxing unit) last year  
27 to the taxes proposed to be imposed on the average residence  
28 homestead by (name of taxing unit) this year:";

29           (2) a table in the form required by this section  
30 following the statement described by Subdivision (1); and

31           (3) a statement in the following form following the

1 table:

2                   (A) if the tax assessor for the taxing unit  
3 maintains an Internet website: "For assistance with tax  
4 calculations, please contact the tax assessor for (name of  
5 taxing unit) at (telephone number) or (e-mail address), or visit  
6 (Internet website address) for more information."; or

7                   (B) if the tax assessor for the taxing unit does  
8 not maintain an Internet website: "For assistance with tax  
9 calculations, please contact the tax assessor for (name of  
10 taxing unit) at (telephone number) or (e-mail address)."

11       (b) The table must contain five rows and four columns.

12       (c) The first row must appear as follows:

13               (1) the first column of the first row must be left  
14 blank;

15               (2) the second column of the first row must state the  
16 year corresponding to the preceding tax year;

17               (3) the third column of the first row must state the  
18 year corresponding to the current tax year; and

19               (4) the fourth column of the first row must be  
20 entitled "Change".

21       (d) The second row must appear as follows:

22               (1) the first column of the second row must be  
23 entitled "Total tax rate (per \$100 of value)";

24               (2) the second column of the second row must state  
25 the adopted tax rate for the preceding tax year;

26               (3) the third column of the second row must state the  
27 proposed tax rate for the current tax year; and

28               (4) the fourth column of the second row must state  
29 the nominal and percentage difference between the adopted tax  
30 rate for the preceding tax year and the proposed tax rate for  
31 the current tax year as follows: "(increase or decrease, as

1 applicable) of (nominal difference between tax rate stated in  
2 second column of second row and tax rate stated in third column  
3 of second row) per \$100, or (percentage difference between tax  
4 rate stated in second column of second row and tax rate stated  
5 in third column of second row)%".

6 (e) The third row must appear as follows:

7 (1) the first column of the third row must be  
8 entitled "Average homestead taxable value";

9 (2) the second column of the third row must state the  
10 average taxable value of a residence homestead in the taxing  
11 unit for the preceding tax year;

12 (3) the third column of the third row must state the  
13 average taxable value of a residence homestead in the taxing  
14 unit for the current tax year; and

15 (4) the fourth column of the third row must state the  
16 percentage difference between the average taxable value of a  
17 residence homestead in the taxing unit for the preceding tax  
18 year and the average taxable value of a residence homestead in  
19 the taxing unit for the current tax year as follows: "(increase  
20 or decrease, as applicable) of (percentage difference between  
21 amount stated in second column of third row and amount stated in  
22 third column of third row)%".

23 (f) The fourth row must appear as follows:

24 (1) the first column of the fourth row must be  
25 entitled "Tax on average homestead";

26 (2) the second column of the fourth row must state  
27 the amount of taxes imposed by the taxing unit in the preceding  
28 tax year on a residence homestead with a taxable value equal to  
29 the average taxable value of a residence homestead in the taxing  
30 unit in the preceding tax year;

31 (3) the third column of the fourth row must state the

1 amount of taxes that would be imposed by the taxing unit in the  
2 current tax year on a residence homestead with a taxable value  
3 equal to the average taxable value of a residence homestead in  
4 the taxing unit in the current tax year if the taxing unit  
5 adopted the proposed tax rate; and

6 (4) the fourth column of the fourth row must state  
7 the nominal and percentage difference between the amount of  
8 taxes imposed by the taxing unit in the preceding tax year on a  
9 residence homestead with a taxable value equal to the average  
10 taxable value of a residence homestead in the taxing unit in the  
11 preceding tax year and the amount of taxes that would be imposed  
12 by the taxing unit in the current tax year on a residence  
13 homestead with a taxable value equal to the average taxable  
14 value of a residence homestead in the taxing unit in the current  
15 tax year if the taxing unit adopted the proposed tax rate, as  
16 follows: "(increase or decrease, as applicable) of (nominal  
17 difference between amount stated in second column of fourth row  
18 and amount stated in third column of fourth row), or (percentage  
19 difference between amount stated in second column of fourth row  
20 and amount stated in third column of fourth row)%".

21 (g) The fifth row must appear as follows:

22 (1) the first column of the fifth row must be  
23 entitled "Total tax levy on all properties";

24 (2) the second column of the fifth row must state the  
25 amount equal to last year's levy;

26 (3) the third column of the fifth row must state the  
27 amount computed by multiplying the proposed tax rate by the  
28 current total value and dividing the product by 100; and

29 (4) the fourth column of the fifth row must state the  
30 nominal and percentage difference between the total amount of  
31 taxes imposed by the taxing unit in the preceding tax year and



1 the amount that would be imposed by the taxing unit in the  
2 current tax year if the taxing unit adopted the proposed tax  
3 rate, as follows: "(increase or decrease, as applicable) of  
4 (nominal difference between amount stated in second column of  
5 fifth row and amount stated in third column of fifth row), or  
6 (percentage difference between amount stated in second column of  
7 fifth row and amount stated in third column of fifth row)%".

8 (h) In calculating the average taxable value of a  
9 residence homestead in the taxing unit for the preceding tax  
10 year and the current tax year for purposes of Subsections (e)  
11 and (f), any residence homestead exemption available only to  
12 disabled persons, persons 65 years of age or older, or their  
13 surviving spouses must be disregarded.

14 SECTION \_\_. The heading to Section 26.08, Tax Code, is  
15 amended to read as follows:

16 Sec. 26.08. ELECTION TO RATIFY TAX RATE [~~SCHOOL TAXES~~].

17 SECTION \_\_. Sections 26.08(a), (b), (d), (d-1), (d-2),  
18 (e), (g), (h), (n), and (p), Tax Code, are amended to read as  
19 follows:

20 (a) If the governing body of a taxing unit [~~school~~  
21 ~~district~~] adopts a tax rate that exceeds the taxing unit's  
22 [~~district's~~] rollback tax rate, the registered voters of the  
23 taxing unit [~~district~~] at an election held for that purpose must  
24 determine whether to approve the adopted tax rate. When  
25 increased expenditure of money by a taxing unit [~~school~~  
26 ~~district~~] is necessary to respond to a disaster, including a  
27 tornado, hurricane, flood, or other calamity, but not including  
28 a drought, that has impacted the taxing unit [~~a school district~~]  
29 and the governor has requested federal disaster assistance for  
30 the area in which the taxing unit [~~school district~~] is located,  
31 an election is not required under this section to approve the

1 tax rate adopted by the governing body for the year following  
2 the year in which the disaster occurs.

3 (b) The governing body shall order that the election be  
4 held in the taxing unit [~~school district~~] on the uniform  
5 election date prescribed by [~~a date not less than 30 or more~~  
6 ~~than 90 days after the day on which it adopted the tax rate.~~]  
7 Section 41.001, Election Code, that occurs in November of the  
8 applicable tax year. The order calling the election may not be  
9 issued later than August 15 [~~does not apply to the election~~  
10 ~~unless a date specified by that section falls within the time~~  
11 ~~permitted by this section~~]. At the election, the ballots shall  
12 be prepared to permit voting for or against the  
13 proposition: "Approving the ad valorem tax rate of \$\_\_\_\_\_ per  
14 \$100 valuation in (name of taxing unit [~~school district~~]) for  
15 the current year, a rate that is \$\_\_\_\_\_ higher per \$100  
16 valuation than the [~~school district~~] rollback tax rate of (name  
17 of taxing unit), for the purpose of (description of purpose of  
18 increase)." The ballot proposition must include the adopted tax  
19 rate and the difference between that rate and the rollback tax  
20 rate in the appropriate places.

21 (d) If the proposition is not approved as provided by  
22 Subsection (c), the governing body may not adopt a tax rate for  
23 the taxing unit [~~school district~~] for the current year that  
24 exceeds the taxing unit's [~~school district's~~] rollback tax rate.

25 (d-1) If, after tax bills for the taxing unit [~~school~~  
26 ~~district~~] have been mailed, a proposition to approve the taxing  
27 unit's [~~school district's~~] adopted tax rate is not approved by  
28 the voters of the taxing unit [~~district~~] at an election held  
29 under this section, on subsequent adoption of a new tax rate by  
30 the governing body of the taxing unit [~~district~~], the assessor  
31 for the taxing unit [~~school~~] shall prepare and mail corrected

1 tax bills. The assessor shall include with each bill a brief  
2 explanation of the reason for and effect of the corrected bill.  
3 The date on which the taxes become delinquent for the year is  
4 extended by a number of days equal to the number of days between  
5 the date the first tax bills were sent and the date the  
6 corrected tax bills were sent.

7 (d-2) If a property owner pays taxes calculated using the  
8 originally adopted tax rate of the taxing unit [~~school district~~]  
9 and the proposition to approve the adopted tax rate is not  
10 approved by the voters, the taxing unit [~~school district~~] shall  
11 refund the difference between the amount of taxes paid and the  
12 amount due under the subsequently adopted rate if the difference  
13 between the amount of taxes paid and the amount due under the  
14 subsequent rate is \$1 or more. If the difference between the  
15 amount of taxes paid and the amount due under the subsequent  
16 rate is less than \$1, the taxing unit [~~school district~~] shall  
17 refund the difference on request of the taxpayer. An  
18 application for a refund of less than \$1 must be made within 90  
19 days after the date the refund becomes due or the taxpayer  
20 forfeits the right to the refund.

21 (e) For purposes of this section, local tax funds  
22 dedicated to a junior college district under Section 45.105(e),  
23 Education Code, shall be eliminated from the calculation of the  
24 tax rate adopted by the governing body of a [~~the~~] school  
25 district. However, the funds dedicated to the junior college  
26 district are subject to Section 26.085.

27 (g) In a school district that received distributions from  
28 an equalization tax imposed under former Chapter 18, Education  
29 Code, the no-new-taxes tax [~~effective~~] rate of that tax as of  
30 the date of the county unit system's abolition is added to the  
31 district's rollback tax rate.

1 (h) For purposes of this section, increases in taxable  
2 values and tax levies occurring within a reinvestment zone under  
3 Chapter 311 (Tax Increment Financing Act), in which a school  
4 ~~[the]~~ district is a participant, shall be eliminated from the  
5 calculation of the tax rate adopted by the governing body of the  
6 school district.

7 (n) For purposes of this section, the rollback tax rate of  
8 a school district whose maintenance and operations tax rate for  
9 the 2005 tax year was \$1.50 or less per \$100 of taxable value  
10 is:

11 (1) for the 2006 tax year, the sum of the rate that  
12 is equal to 88.67 percent of the maintenance and operations tax  
13 rate adopted by the district for the 2005 tax year, the rate of  
14 \$0.04 per \$100 of taxable value, and the district's current debt  
15 rate; and

16 (2) for the 2007 and subsequent tax years, the lesser  
17 of the following:

18 (A) the sum of the following:

19 (i) the rate per \$100 of taxable value that  
20 is equal to the product of the state compression percentage, as  
21 determined under Section 42.2516, Education Code, for the  
22 current year and \$1.50;

23 (ii) the rate of \$0.04 per \$100 of taxable  
24 value;

25 (iii) the rate that is equal to the sum of  
26 the differences for the 2006 and each subsequent tax year  
27 between the adopted tax rate of the district for that year if  
28 the rate was approved at an election under this section and the  
29 rollback tax rate of the district for that year; and

30 (iv) the district's current debt rate; or

31 (B) the sum of the following:

1 (i) the no-new-taxes [~~effective~~]  
2 maintenance and operations tax rate of the district as computed  
3 under Subsection (i) [~~or (k), as applicable~~];

4 (ii) the rate per \$100 of taxable value  
5 that is equal to the product of the state compression  
6 percentage, as determined under Section 42.2516, Education Code,  
7 for the current year and \$0.06; and

8 (iii) the district's current debt rate.

9 (p) Notwithstanding Subsections (i), (n), and (o), if for  
10 the preceding tax year a school district adopted a maintenance  
11 and operations tax rate that was less than the district's no-  
12 new-taxes [~~effective~~] maintenance and operations tax rate for  
13 that preceding tax year, the rollback tax rate of the district  
14 for the current tax year is calculated as if the district  
15 adopted a maintenance and operations tax rate for the preceding  
16 tax year that was equal to the district's no-new-taxes  
17 [~~effective~~] maintenance and operations tax rate for that  
18 preceding tax year.

19 SECTION \_\_. Section 26.08(i), Tax Code, as effective  
20 September 1, 2017, is amended to read as follows:

21 (i) For purposes of this section, the no-new-taxes  
22 [~~effective~~] maintenance and operations tax rate of a school  
23 district is the tax rate that, applied to the current total  
24 value for the district, would impose taxes in an amount that,  
25 when added to state funds that would be distributed to the  
26 district under Chapter 42, Education Code, for the school year  
27 beginning in the current tax year using that tax rate, would  
28 provide the same amount of state funds distributed under Chapter  
29 42, Education Code, and maintenance and operations taxes of the  
30 district per student in weighted average daily attendance for  
31 that school year that would have been available to the district

1 in the preceding year if the funding elements for Chapters 41  
2 and 42, Education Code, for the current year had been in effect  
3 for the preceding year.

4 SECTION \_\_. The heading to Section 26.16, Tax Code, is  
5 amended to read as follows:

6 Sec. 26.16. POSTING OF TAX-RELATED INFORMATION [~~TAX RATES~~]  
7 ON COUNTY'S INTERNET WEBSITE.

8 SECTION \_\_. Section 26.16, Tax Code, is amended by  
9 amending Subsections (a) and (d) and adding Subsections (a-1),  
10 (d-1), (d-2), and (d-3) to read as follows:

11 (a) Each county shall maintain an Internet website. The  
12 county assessor-collector for each county [~~that maintains an~~  
13 ~~Internet website~~] shall post on the Internet website maintained  
14 by [of] the county the following information for the most recent  
15 five tax years beginning with the 2012 tax year for each taxing  
16 unit all or part of the territory of which is located in the  
17 county:

18 (1) the adopted tax rate;

19 (2) the maintenance and operations rate;

20 (3) the debt rate;

21 (4) the no-new-taxes [~~effective~~] tax rate;

22 (5) the no-new-taxes [~~effective~~] maintenance and  
23 operations rate; and

24 (6) the rollback tax rate.

25 (a-1) For purposes of Subsection (a), a reference to the  
26 no-new-taxes tax rate or the no-new-taxes maintenance and  
27 operations rate includes the equivalent effective tax rate or  
28 effective maintenance and operations rate for a preceding year.  
29 This subsection expires January 1, 2024.

30 (d) The county assessor-collector shall post immediately  
31 below the table prescribed by Subsection (c) the following

1 statement:

2 "The county is providing this table of property tax rate  
3 information as a service to the residents of the county. Each  
4 individual taxing unit is responsible for calculating the  
5 property tax rates listed in this table pertaining to that  
6 taxing unit and providing that information to the county.

7 "The adopted tax rate is the tax rate adopted by the  
8 governing body of a taxing unit.

9 "The maintenance and operations rate is the component of  
10 the adopted tax rate of a taxing unit that will impose the  
11 amount of taxes needed to fund maintenance and operation  
12 expenditures of the unit for the following year.

13 "The debt rate is the component of the adopted tax rate of  
14 a taxing unit that will impose the amount of taxes needed to  
15 fund the unit's debt service for the following year.

16 "The no-new-taxes [~~effective tax~~] rate is the tax rate that  
17 would generate the same amount of revenue in the current tax  
18 year as was generated by a taxing unit's adopted tax rate in the  
19 preceding tax year from property that is taxable in both the  
20 current tax year and the preceding tax year.

21 "The no-new-taxes [~~effective~~] maintenance and operations  
22 rate is the tax rate that would generate the same amount of  
23 revenue for maintenance and operations in the current tax year  
24 as was generated by a taxing unit's maintenance and operations  
25 rate in the preceding tax year from property that is taxable in  
26 both the current tax year and the preceding tax year.

27 "The rollback tax rate is the highest tax rate a taxing  
28 unit may adopt before requiring voter approval at an election.  
29 ~~An [In the case of a taxing unit other than a school district,~~  
30 ~~the voters by petition may require that a rollback election be~~  
31 ~~held if the unit adopts a tax rate in excess of the unit's~~

1 ~~rollback tax rate. In the case of a school district, an~~  
2 election will automatically be held if a taxing unit [~~the~~  
3 ~~district~~] wishes to adopt a tax rate in excess of the unit's  
4 [~~district's~~] rollback tax rate."

5 (d-1) In addition to posting the information described by  
6 Subsection (a), the county assessor-collector shall post on the  
7 Internet website of the county for each taxing unit all or part  
8 of the territory of which is located in the county:

9 (1) the worksheets used by the designated officer or  
10 employee of each taxing unit to calculate the no-new-taxes and  
11 rollback tax rates of the unit for the most recent five tax  
12 years beginning with the 2018 tax year, as certified by the  
13 county assessor-collector under Section 26.04(d-1); and

14 (2) the name and official contact information for  
15 each member of the governing body of the taxing unit.

16 (d-2) Not later than August 1, the county assessor-  
17 collector shall post on the website the worksheets described by  
18 Subsection (d-1)(1) for the current tax year.

19 (d-3) Notwithstanding Subsection (d-2), the county  
20 assessor-collector for each county shall post the worksheets  
21 submitted to the county assessor-collector under Section  
22 26.04(d-4) on the website of the county not later than October  
23 1, 2017. This subsection expires December 31, 2018.

24 SECTION \_\_. Sections 31.12(a) and (b), Tax Code, are  
25 amended to read as follows:

26 (a) If a refund of a tax provided by Section 11.431(b),  
27 26.08(d-2) [~~26.07(g)~~], 26.15(f), 31.11, or 31.111 is paid on or  
28 before the 60th day after the date the liability for the refund  
29 arises, no interest is due on the amount refunded. If not paid  
30 on or before that 60th day, the amount of the tax to be refunded  
31 accrues interest at a rate of one percent for each month or part



1 of a month that the refund is unpaid, beginning with the date on  
2 which the liability for the refund arises.

3 (b) For purposes of this section, liability for a refund  
4 arises:

5 (1) if the refund is required by Section 11.431(b),  
6 on the date the chief appraiser notifies the collector for the  
7 unit of the approval of the late homestead exemption;

8 (2) if the refund is required by Section 26.08(d-2)  
9 [~~26.07(g)~~], on the date the results of the election to reduce  
10 the tax rate are certified;

11 (3) if the refund is required by Section 26.15(f):

12 (A) for a correction to the tax roll made under  
13 Section 26.15(b), on the date the change in the tax roll is  
14 certified to the assessor for the taxing unit under Section  
15 25.25; or

16 (B) for a correction to the tax roll made under  
17 Section 26.15(c), on the date the change in the tax roll is  
18 ordered by the governing body of the taxing unit;

19 (4) if the refund is required by Section 31.11, on  
20 the date the auditor for the taxing unit determines that the  
21 payment was erroneous or excessive or, if the amount of the  
22 refund exceeds the applicable amount specified by Section  
23 31.11(a), on the date the governing body of the unit approves  
24 the refund; or

25 (5) if the refund is required by Section 31.111, on  
26 the date the collector for the taxing unit determines that the  
27 payment was erroneous.

28 SECTION \_\_. Section 33.08(b), Tax Code, is amended to read  
29 as follows:

30 (b) The governing body of the taxing unit or appraisal  
31 district, in the manner required by law for official action, may

1 provide that taxes that become delinquent on or after June 1  
2 under Section 26.08(d-1) [~~26.07(f)~~], 26.15(e), 31.03, 31.031,  
3 31.032, 31.04, or 42.42 incur an additional penalty to defray  
4 costs of collection. The amount of the penalty may not exceed  
5 the amount of the compensation specified in the applicable  
6 contract with an attorney under Section 6.30 to be paid in  
7 connection with the collection of the delinquent taxes.

8 SECTION \_\_. Section 41.03(a), Tax Code, is amended to read  
9 as follows:

10 (a) A taxing unit is entitled to challenge before the  
11 appraisal review board:

12 (1) [~~the level of appraisals of any category of~~  
13 ~~property in the district or in any territory in the district,~~  
14 ~~but not the appraised value of a single taxpayer's property;~~

15 [~~(2)~~] an exclusion of property from the appraisal  
16 records;

17 (2) [~~(3)~~] a grant in whole or in part of a partial  
18 exemption;

19 (3) [~~(4)~~] a determination that land qualifies for  
20 appraisal as provided by Subchapter C, D, E, or H, Chapter 23;  
21 or

22 (4) [~~(5)~~] failure to identify the taxing unit as one  
23 in which a particular property is taxable.

24 SECTION \_\_. Section 41.11(a), Tax Code, is amended to read  
25 as follows:

26 (a) Not later than the date the appraisal review board  
27 approves the appraisal records as provided by Section 41.12, the  
28 secretary of the board shall deliver written notice to a  
29 property owner of any change in the records that is ordered by  
30 the board as provided by this subchapter and that will result in  
31 an increase in the tax liability of the property owner. An

owner who receives a notice as provided by this section shall be entitled to protest such action as provided by Section 41.44(a)(2) ~~[41.44(a)(3)]~~.

SECTION \_\_. Section 41.12(a), Tax Code, is amended to read as follows:

(a) By July 5 ~~[20]~~, the appraisal review board shall:

(1) hear and determine all or substantially all timely filed protests;

(2) determine all timely filed challenges;

(3) submit a list of its approved changes in the records to the chief appraiser; and

(4) approve the records.

SECTION \_\_. Sections 41.44(a), (c), and (d), Tax Code, are amended to read as follows:

(a) Except as provided by Subsections (b), ~~[(b-1)],~~ (c), (c-1), and (c-2), to be entitled to a hearing and determination of a protest, the property owner initiating the protest must file a written notice of the protest with the appraisal review board having authority to hear the matter protested:

(1) not later than the later of:

(A) [before] May 15; ~~[1]~~ or

(B) [not later than] the 30th day after the date that notice to the property owner was delivered to the property owner as provided by Section 25.19~~[, if the property is a single-family residence that qualifies for an exemption under Section 11.13, whichever is later];~~

(2) ~~[before June 1 or not later than the 30th day after the date that notice was delivered to the property owner as provided by Section 25.19 in connection with any other property, whichever is later;~~

~~[(3)]~~ in the case of a protest of a change in the

1 appraisal records ordered as provided by Subchapter A of this  
2 chapter or by Chapter 25, not later than the 30th day after the  
3 date notice of the change is delivered to the property owner;

4       (3) [~~(4)~~] in the case of a determination that a  
5 change in the use of land appraised under Subchapter C, D, E, or  
6 H, Chapter 23, has occurred, not later than the 30th day after  
7 the date the notice of the determination is delivered to the  
8 property owner; or

9       (4) [~~(5)~~] in the case of a determination of  
10 eligibility for a refund under Section 23.1243, not later than  
11 the 30th day after the date the notice of the determination is  
12 delivered to the property owner.

13       (c) A property owner who files notice of a protest  
14 authorized by Section 41.411 is entitled to a hearing and  
15 determination of the protest if the property owner files the  
16 notice prior to the date the taxes on the property to which the  
17 notice applies become delinquent. An owner of land who files a  
18 notice of protest under Subsection (a)(3) [~~(a)(4)~~] is entitled  
19 to a hearing and determination of the protest without regard to  
20 whether the appraisal records are approved.

21       (d) A notice of protest is sufficient if it identifies the  
22 protesting property owner, including a person claiming an  
23 ownership interest in the property even if that person is not  
24 listed on the appraisal records as an owner of the property,  
25 identifies the property that is the subject of the protest, and  
26 indicates apparent dissatisfaction with some determination of  
27 the appraisal office. The notice need not be on an official  
28 form, but the comptroller shall prescribe a form that provides  
29 for more detail about the nature of the protest. The form must  
30 permit a property owner to include each property in the  
31 appraisal district that is the subject of a protest. The form

1 must permit a property owner to request that the protest be  
2 heard by a special panel established under Section 6.425 if the  
3 protest will be determined by an appraisal review board to which  
4 that section applies and the property is included in a  
5 classification described by that section. The comptroller, each  
6 appraisal office, and each appraisal review board shall make the  
7 forms readily available and deliver one to a property owner on  
8 request.

9 SECTION \_\_. Section 41.45, Tax Code, is amended by  
10 amending Subsection (d) and adding Subsections (d-1), (d-2), and  
11 (d-3) to read as follows:

12 (d) This subsection does not apply to a special panel  
13 established under Section 6.425. An appraisal review board  
14 consisting of more than three members may sit in panels of not  
15 fewer than three members to conduct protest hearings. [~~However,~~  
16 ~~the determination of a protest heard by a panel must be made by~~  
17 ~~the board.~~] If the recommendation of a panel is not accepted by  
18 the board, the board may refer the matter for rehearing to a  
19 panel composed of members who did not hear the original hearing  
20 or, if there are not at least three members who did not hear the  
21 original protest, the board may determine the protest. [~~Before~~  
22 ~~determining a protest or conducting a rehearing before a new~~  
23 ~~panel or the board, the board shall deliver notice of the~~  
24 ~~hearing or meeting to determine the protest in accordance with~~  
25 ~~the provisions of this subchapter.~~]

26 (d-1) An appraisal review board to which Section 6.425  
27 applies shall sit in special panels established under that  
28 section to conduct protest hearings. A special panel may  
29 conduct a protest hearing relating to property only if the  
30 property is included in the classification for which the panel  
31 was established and the property owner has requested that the

1 panel conduct the hearing. The board may rehear a protest heard  
2 by a special panel if the board elects not to accept the  
3 recommendation of the panel.

4 (d-2) The determination of a protest heard by a panel  
5 under Subsection (d) or (d-1) must be made by the board.

6 (d-3) The board must deliver notice of a hearing or  
7 meeting to determine a protest heard by a panel, or to rehear a  
8 protest, under Subsection (d) or (d-1) in accordance with the  
9 provisions of this subchapter.

10 SECTION \_\_. Section 41.66, Tax Code, is amended by  
11 amending Subsection (k) and adding Subsection (k-1) to read as  
12 follows:

13 (k) This subsection does not apply to a special panel  
14 established under Section 6.425. If an appraisal review board  
15 sits in panels to conduct protest hearings, protests shall be  
16 randomly assigned to panels, except that the board may consider  
17 the type of property subject to the protest or the ground of the  
18 protest for the purpose of using the expertise of a particular  
19 panel in hearing protests regarding particular types of property  
20 or based on particular grounds. If a protest is scheduled to be  
21 heard by a particular panel, the protest may not be reassigned  
22 to another panel without the consent of the property owner or  
23 designated agent. If the appraisal review board has cause to  
24 reassign a protest to another panel, a property owner or  
25 designated agent may agree to reassignment of the protest or may  
26 request that the hearing on the protest be postponed. The board  
27 shall postpone the hearing on that request. A change of members  
28 of a panel because of a conflict of interest, illness, or  
29 inability to continue participating in hearings for the  
30 remainder of the day does not constitute reassignment of a  
31 protest to another panel.

1       (k-1) On the request of a property owner, an appraisal  
2 review board to which Section 6.425 applies shall assign a  
3 protest relating to property included in a classification  
4 described by that section to the special panel established to  
5 conduct protest hearings relating to property included in that  
6 classification. If the board has established more than one  
7 special panel to conduct protest hearings relating to property  
8 included in a particular classification, protests relating to  
9 property included in that classification shall be randomly  
10 assigned to those special panels. If a protest is scheduled to  
11 be heard by a particular special panel, the protest may not be  
12 reassigned to another special panel without the consent of the  
13 property owner or designated agent. If the board has cause to  
14 reassign a protest to another special panel, a property owner or  
15 designated agent may agree to reassignment of the protest or may  
16 request that the hearing on the protest be postponed. The board  
17 shall postpone the hearing on that request. A change of members  
18 of a special panel because of a conflict of interest, illness,  
19 or inability to continue participating in hearings for the  
20 remainder of the day does not constitute reassignment of a  
21 protest to another special panel.

22       SECTION \_\_. Section 41.71, Tax Code, is amended to read as  
23 follows:

24       Sec. 41.71. EVENING AND WEEKEND HEARINGS.       (a) An  
25 appraisal review board by rule shall provide for hearings on  
26 protests [~~in the evening or~~] on a Saturday or after 5 p.m. on a  
27 weekday [Sunday].

28       (b) The board may not schedule:

29               (1) the first hearing on a protest held on a weekday  
30 evening to begin after 7 p.m.; or

31               (2) a hearing on a protest on a Sunday.

SECTION \_\_\_\_ . Section 41A.01, Tax Code, is amended to read as follows:

Sec. 41A.01. RIGHT OF APPEAL BY PROPERTY OWNER. As an alternative to filing an appeal under Section 42.01, a property owner is entitled to appeal through binding arbitration under this chapter an appraisal review board order determining a protest filed under Section 41.41(a)(1) or (2) concerning the appraised or market value of property if:

(1) the property qualifies as the owner's residence homestead under Section 11.13; or

(2) the appraised or market value, as applicable, of the property as determined by the order is \$5 [~~\$3~~] million or less.

SECTION \_\_\_\_ . Section 41A.03(a), Tax Code, is amended to read as follows:

(a) To appeal an appraisal review board order under this chapter, a property owner must file with the appraisal district not later than the 45th day after the date the property owner receives notice of the order:

(1) a completed request for binding arbitration under this chapter in the form prescribed by Section 41A.04; and

(2) an arbitration deposit made payable to the comptroller in the amount of:

(A) \$450, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$500,000 or less, as determined by the order;

(B) \$500, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$500,000, as determined by the order;



1 (C) \$500, if the property does not qualify as  
2 the owner's residence homestead under Section 11.13 and the  
3 appraised or market value, as applicable, of the property is \$1  
4 million or less, as determined by the order;

5 (D) \$800, if the property does not qualify as  
6 the owner's residence homestead under Section 11.13 and the  
7 appraised or market value, as applicable, of the property is  
8 more than \$1 million but not more than \$2 million, as determined  
9 by the order; ~~or~~

10 (E) \$1,050, if the property does not qualify as  
11 the owner's residence homestead under Section 11.13 and the  
12 appraised or market value, as applicable, of the property is  
13 more than \$2 million but not more than \$3 million, as determined  
14 by the order; or

15 (F) \$1,250, if the property does not qualify as  
16 the owner's residence homestead under Section 11.13 and the  
17 appraised or market value, as applicable, of the property is  
18 more than \$3 million but not more than \$5 million, as determined  
19 by the order.

20 SECTION \_\_. Section 41A.06(b), Tax Code, is amended to  
21 read as follows:

22 (b) To initially qualify to serve as an arbitrator under  
23 this chapter, a person must:

24 (1) meet the following requirements, as applicable:

25 (A) be licensed as an attorney in this state; or

26 (B) have:

27 (i) completed at least 30 hours of training  
28 in arbitration and alternative dispute resolution procedures  
29 from a university, college, or legal or real estate trade  
30 association; and

31 (ii) been licensed or certified

continuously during the five years preceding the date the person agrees to serve as an arbitrator as:

(a) a real estate broker or sales agent [~~salesperson~~] under Chapter 1101, Occupations Code;

(b) a real estate appraiser under Chapter 1103, Occupations Code; or

(c) a certified public accountant under Chapter 901, Occupations Code; and

(2) agree to conduct an arbitration for a fee that is not more than:

(A) \$400, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$500,000 or less, as determined by the order;

(B) \$450, if the property qualifies as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$500,000, as determined by the order;

(C) \$450, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is \$1 million or less, as determined by the order;

(D) \$750, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$1 million but not more than \$2 million, as determined by the order; [~~or~~]

(E) \$1,000, if the property does not qualify as the owner's residence homestead under Section 11.13 and the appraised or market value, as applicable, of the property is more than \$2 million but not more than \$3 million, as determined

1 by the order; or

2                   (F) \$1,200, if the property does not qualify as  
3 the owner's residence homestead under Section 11.13 and the  
4 appraised or market value, as applicable, of the property is  
5 more than \$3 million but not more than \$5 million, as determined  
6 by the order.

7           SECTION \_\_. Section 45.105(e), Education Code, is amended  
8 to read as follows:

9           (e) The governing body of an independent school district  
10 that governs a junior college district under Subchapter B,  
11 Chapter 130, in a county with a population of more than two  
12 million may dedicate a specific percentage of the local tax levy  
13 to the use of the junior college district for facilities and  
14 equipment or for the maintenance and operating expenses of the  
15 junior college district. To be effective, the dedication must  
16 be made by the governing body on or before the date on which the  
17 governing body adopts its tax rate for a year. The amount of  
18 local tax funds derived from the percentage of the local tax  
19 levy dedicated to a junior college district from a tax levy may  
20 not exceed the amount that would be levied by five percent of  
21 the no-new-taxes ~~[effective]~~ tax rate for the tax year  
22 calculated as provided by Section 26.04, Tax Code, on all  
23 property taxable by the school district. All real property  
24 purchased with these funds is the property of the school  
25 district, but is subject to the exclusive control of the  
26 governing body of the junior college district for as long as the  
27 junior college district uses the property for educational  
28 purposes.

29           SECTION \_\_. Section 130.016(b), Education Code, is amended  
30 to read as follows:

31           (b) If the board of trustees of an independent school

1 district that divests itself of the management, control, and  
2 operation of a junior college district under this section or  
3 under Section 130.017 [~~of this code~~] was authorized by  
4 [~~Subsection (e) of~~] Section 45.105(e) or under former Section  
5 20.48(e) [~~20.48 of this code~~] to dedicate a portion of its tax  
6 levy to the junior college district before the divestment, the  
7 junior college district may levy an ad valorem tax from and  
8 after the divestment. In the first two years in which the  
9 junior college district levies an ad valorem tax, the tax rate  
10 adopted by the governing body may not exceed the rate that, if  
11 applied to the total taxable value submitted to the governing  
12 body under Section 26.04, Tax Code, would impose an amount equal  
13 to the amount of taxes of the school district dedicated to the  
14 junior college under [~~Subsection (e) of~~] Section 45.105(e) or  
15 former Section 20.48(e) [~~20.48 of this code~~] in the last  
16 dedication before the divestment. In subsequent years, the tax  
17 rate of the junior college district is subject to Section 26.08  
18 [~~26.07~~], Tax Code.

19 SECTION \_\_. Section 403.302(o), Government Code, is  
20 amended to read as follows:

21 (o) The comptroller shall adopt rules governing the  
22 conduct of the study after consultation with the comptroller's  
23 property tax administration advisory board [~~Comptroller's~~  
24 ~~Property Value Study Advisory Committee~~].

25 SECTION \_\_. Sections 281.124(d) and (e), Health and Safety  
26 Code, are amended to read as follows:

27 (d) If a majority of the votes cast in the election favor  
28 the proposition, the tax rate for the specified tax year is the  
29 rate approved by the voters, and that rate is not subject to [~~a~~  
30 ~~rollback election under~~] Section 26.08 [~~26.07~~], Tax Code. The  
31 board shall adopt the tax rate as provided by Chapter 26, Tax

1 Code.

2 (e) If the proposition is not approved as provided by  
3 Subsection (c), the board may not adopt a tax rate for the  
4 district for the specified tax year that exceeds the rate that  
5 was not approved, and Section 26.08 [~~26.07~~], Tax Code, applies  
6 to the adopted rate if that rate exceeds the district's rollback  
7 tax rate.

8 SECTION \_\_. Section 102.007(d), Local Government Code, is  
9 amended to read as follows:

10 (d) An adopted budget must contain a cover page that  
11 includes:

12 (1) one of the following statements in 18-point or  
13 larger type that accurately describes the adopted budget:

14 (A) "This budget will raise more revenue from  
15 property taxes than last year's budget by an amount of (insert  
16 total dollar amount of increase), which is a (insert percentage  
17 increase) percent increase from last year's budget. The  
18 property tax revenue to be raised from new property added to the  
19 tax roll this year is (insert amount computed by multiplying the  
20 proposed tax rate by the value of new property added to the  
21 roll).";

22 (B) "This budget will raise less revenue from  
23 property taxes than last year's budget by an amount of (insert  
24 total dollar amount of decrease), which is a (insert percentage  
25 decrease) percent decrease from last year's budget. The  
26 property tax revenue to be raised from new property added to the  
27 tax roll this year is (insert amount computed by multiplying the  
28 proposed tax rate by the value of new property added to the  
29 roll)."; or

30 (C) "This budget will raise the same amount of  
31 revenue from property taxes as last year's budget. The property

1 tax revenue to be raised from new property added to the tax roll  
2 this year is (insert amount computed by multiplying the proposed  
3 tax rate by the value of new property added to the roll).";

4 (2) the record vote of each member of the governing  
5 body by name voting on the adoption of the budget;

6 (3) the municipal property tax rates for the  
7 preceding fiscal year, and each municipal property tax rate that  
8 has been adopted or calculated for the current fiscal year,  
9 including:

10 (A) the property tax rate;

11 (B) the no-new-taxes [~~effective~~] tax rate;

12 (C) the no-new-taxes [~~effective~~] maintenance and  
13 operations tax rate;

14 (D) the rollback tax rate; and

15 (E) the debt rate; and

16 (4) the total amount of municipal debt obligations.

17 SECTION \_\_. Section 111.008(d), Local Government Code, is  
18 amended to read as follows:

19 (d) An adopted budget must contain a cover page that  
20 includes:

21 (1) one of the following statements in 18-point or  
22 larger type that accurately describes the adopted budget:

23 (A) "This budget will raise more revenue from  
24 property taxes than last year's budget by an amount of (insert  
25 total dollar amount of increase), which is a (insert percentage  
26 increase) percent increase from last year's budget. The  
27 property tax revenue to be raised from new property added to the  
28 tax roll this year is (insert amount computed by multiplying the  
29 proposed tax rate by the value of new property added to the  
30 roll).";

31 (B) "This budget will raise less revenue from

1 property taxes than last year's budget by an amount of (insert  
2 total dollar amount of decrease), which is a (insert percentage  
3 decrease) percent decrease from last year's budget. The  
4 property tax revenue to be raised from new property added to the  
5 tax roll this year is (insert amount computed by multiplying the  
6 proposed tax rate by the value of new property added to the  
7 roll)."; or

8 (C) "This budget will raise the same amount of  
9 revenue from property taxes as last year's budget. The property  
10 tax revenue to be raised from new property added to the tax roll  
11 this year is (insert amount computed by multiplying the proposed  
12 tax rate by the value of new property added to the roll).";

13 (2) the record vote of each member of the  
14 commissioners court by name voting on the adoption of the  
15 budget;

16 (3) the county property tax rates for the preceding  
17 fiscal year, and each county property tax rate that has been  
18 adopted or calculated for the current fiscal year, including:

19 (A) the property tax rate;

20 (B) the no-new-taxes ~~[effective]~~ tax rate;

21 (C) the no-new-taxes ~~[effective]~~ maintenance and  
22 operations tax rate;

23 (D) the rollback tax rate; and

24 (E) the debt rate; and

25 (4) the total amount of county debt obligations.

26 SECTION \_\_. Section 111.039(d), Local Government Code, is  
27 amended to read as follows:

28 (d) An adopted budget must contain a cover page that  
29 includes:

30 (1) one of the following statements in 18-point or  
31 larger type that accurately describes the adopted budget:

1                   (A) "This budget will raise more revenue from  
2 property taxes than last year's budget by an amount of (insert  
3 total dollar amount of increase), which is a (insert percentage  
4 increase) percent increase from last year's budget. The  
5 property tax revenue to be raised from new property added to the  
6 tax roll this year is (insert amount computed by multiplying the  
7 proposed tax rate by the value of new property added to the  
8 roll).";

9                   (B) "This budget will raise less revenue from  
10 property taxes than last year's budget by an amount of (insert  
11 total dollar amount of decrease), which is a (insert percentage  
12 decrease) percent decrease from last year's budget. The  
13 property tax revenue to be raised from new property added to the  
14 tax roll this year is (insert amount computed by multiplying the  
15 proposed tax rate by the value of new property added to the  
16 roll)."; or

17                   (C) "This budget will raise the same amount of  
18 revenue from property taxes as last year's budget. The property  
19 tax revenue to be raised from new property added to the tax roll  
20 this year is (insert amount computed by multiplying the proposed  
21 tax rate by the value of new property added to the roll).";

22                   (2) the record vote of each member of the  
23 commissioners court by name voting on the adoption of the  
24 budget;

25                   (3) the county property tax rates for the preceding  
26 fiscal year, and each county property tax rate that has been  
27 adopted or calculated for the current fiscal year, including:

28                               (A) the property tax rate;

29                               (B) the no-new-taxes [~~effective~~] tax rate;

30                               (C) the no-new-taxes [~~effective~~] maintenance and  
31 operations tax rate;



1 (D) the rollback tax rate; and

2 (E) the debt rate; and

3 (4) the total amount of county debt obligations.

4 SECTION \_\_. Section 111.068(c), Local Government Code, is  
5 amended to read as follows:

6 (c) An adopted budget must contain a cover page that  
7 includes:

8 (1) one of the following statements in 18-point or  
9 larger type that accurately describes the adopted budget:

10 (A) "This budget will raise more revenue from  
11 property taxes than last year's budget by an amount of (insert  
12 total dollar amount of increase), which is a (insert percentage  
13 increase) percent increase from last year's budget. The  
14 property tax revenue to be raised from new property added to the  
15 tax roll this year is (insert amount computed by multiplying the  
16 proposed tax rate by the value of new property added to the  
17 roll).";

18 (B) "This budget will raise less revenue from  
19 property taxes than last year's budget by an amount of (insert  
20 total dollar amount of decrease), which is a (insert percentage  
21 decrease) percent decrease from last year's budget. The  
22 property tax revenue to be raised from new property added to the  
23 tax roll this year is (insert amount computed by multiplying the  
24 proposed tax rate by the value of new property added to the  
25 roll)."; or

26 (C) "This budget will raise the same amount of  
27 revenue from property taxes as last year's budget. The property  
28 tax revenue to be raised from new property added to the tax roll  
29 this year is (insert amount computed by multiplying the proposed  
30 tax rate by the value of new property added to the roll).";

31 (2) the record vote of each member of the

1 commissioners court by name voting on the adoption of the  
2 budget;

3 (3) the county property tax rates for the preceding  
4 fiscal year, and each county property tax rate that has been  
5 adopted or calculated for the current fiscal year, including:

6 (A) the property tax rate;

7 (B) the no-new-taxes ~~[effective]~~ tax rate;

8 (C) the no-new-taxes ~~[effective]~~ maintenance and  
9 operations tax rate;

10 (D) the rollback tax rate; and

11 (E) the debt rate; and

12 (4) the total amount of county debt obligations.

13 SECTION \_\_. Section 1101.254(f), Special District Local  
14 Laws Code, is amended to read as follows:

15 (f) This section does not affect the applicability of ~~[any~~  
16 ~~rights district voters may have to petition for an election~~  
17 ~~under]~~ Section 26.08 ~~[26.07]~~, Tax Code, to the district's tax  
18 rate, except that if district voters approve a tax rate increase  
19 under this section, ~~[the voters may not petition for an election~~  
20 ~~under]~~ Section 26.08 ~~[26.07]~~, Tax Code, does not apply ~~[as]~~ to  
21 the tax rate for that year.

22 SECTION \_\_. Sections 1122.2522, 3828.157, and 8876.152,  
23 Special District Local Laws Code, are amended to read as  
24 follows:

25 Sec. 1122.2522. ROLLBACK TAX RATE PROVISIONS APPLICABLE.  
26 ~~[(a)]~~ If in any year the board adopts a tax rate that exceeds  
27 the rollback tax rate calculated as provided by Chapter 26, Tax  
28 Code, ~~[the qualified voters of the district by petition may~~  
29 ~~require that]~~ an election under Section 26.08 of that code must  
30 be held to determine whether or not to approve ~~[reduce]~~ the tax  
31 rate adopted by the board for that year ~~[to the rollback tax~~

1 rate].

2 [~~(b) To the extent a conflict exists between this section~~  
3 ~~and a provision of the Tax Code, the provision of the Tax Code~~  
4 ~~prevails.~~]

5 Sec. 3828.157. INAPPLICABILITY OF CERTAIN TAX CODE  
6 PROVISIONS. Sections 26.04, 26.05, and 26.08 [~~26.07~~], Tax Code,  
7 do not apply to a tax imposed under Section 3828.153 or  
8 3828.156.

9 Sec. 8876.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.  
10 (a) Sections 26.04, 26.05, 26.06, 26.061, and 26.08 [~~26.07~~],  
11 Tax Code, do not apply to a tax imposed by the district.

12 (b) Sections 49.236(a)(1) and (2) and (b) [~~Section~~  
13 ~~49.236~~], Water Code, apply [~~as added by Chapter 248 (H.B. 1541),~~  
14 ~~Acts of the 78th Legislature, Regular Session, 2003, applies~~] to  
15 the district.

16 SECTION \_\_. Section 49.107(g), Water Code, is amended to  
17 read as follows:

18 (g) Sections 26.04, 26.05, 26.061, and 26.08 [~~26.07~~], Tax  
19 Code, do not apply to a tax levied and collected under this  
20 section or an ad valorem tax levied and collected for the  
21 payment of the interest on and principal of bonds issued by a  
22 district.

23 SECTION \_\_. Section 49.108(f), Water Code, is amended to  
24 read as follows:

25 (f) Sections 26.04, 26.05, 26.061, and 26.08 [~~26.07~~], Tax  
26 Code, do not apply to a tax levied and collected for payments  
27 made under a contract approved in accordance with this section.

28 SECTION \_\_. Section 49.236, Water Code, as added by  
29 Chapter 335 (S.B. 392), Acts of the 78th Legislature, Regular  
30 Session, 2003, is amended by amending Subsections (a) and (d)  
31 and adding Subsections (e), (f), (g), (h), (i), (j), (k), and

1 (1) to read as follows:

2 (a) Before the board adopts an ad valorem tax rate for the  
3 district for debt service, operation and maintenance purposes,  
4 or contract purposes, the board shall give notice of each  
5 meeting of the board at which the adoption of a tax rate will be  
6 considered. The notice must:

7 (1) contain a statement in substantially the  
8 following form:

9 "NOTICE OF PUBLIC HEARING ON TAX RATE

10 "The (name of the district) will hold a public hearing on a  
11 proposed tax rate for the tax year (year of tax levy) on (date  
12 and time) at (meeting place). Your individual taxes may  
13 increase or decrease, depending on the change in the taxable  
14 value of your property in relation to the change in taxable  
15 value of all other property and the tax rate that is adopted.

16 "(Names of all board members and, if a vote was taken, an  
17 indication of how each voted on the proposed tax rate and an  
18 indication of any absences.)";

19 (2) contain the following information:

20 (A) the district's total adopted tax rate for  
21 the preceding year and the proposed tax rate, expressed as an  
22 amount per \$100;

23 (B) the difference, expressed as an amount per  
24 \$100 and as a percent increase or decrease, as applicable, in  
25 the proposed tax rate compared to the adopted tax rate for the  
26 preceding year;

27 (C) the average appraised value of a residence  
28 homestead in the district in the preceding year and in the  
29 current year; the district's total homestead exemption, other  
30 than an exemption available only to disabled persons or persons  
31 65 years of age or older, applicable to that appraised value in

1 each of those years; and the average taxable value of a  
2 residence homestead in the district in each of those years,  
3 disregarding any homestead exemption available only to disabled  
4 persons or persons 65 years of age or older;

5 (D) the amount of tax that would have been  
6 imposed by the district in the preceding year on a residence  
7 homestead appraised at the average appraised value of a  
8 residence homestead in that year, disregarding any homestead  
9 exemption available only to disabled persons or persons 65 years  
10 of age or older;

11 (E) the amount of tax that would be imposed by  
12 the district in the current year on a residence homestead  
13 appraised at the average appraised value of a residence  
14 homestead in that year, disregarding any homestead exemption  
15 available only to disabled persons or persons 65 years of age or  
16 older, if the proposed tax rate is adopted; ~~and~~

17 (F) the difference between the amounts of tax  
18 calculated under Paragraphs (D) and (E), expressed in dollars  
19 and cents and described as the annual percentage increase or  
20 decrease, as applicable, in the tax to be imposed by the  
21 district on the average residence homestead in the district in  
22 the current year if the proposed tax rate is adopted; and

23 (G) if the proposed combined debt service,  
24 operation and maintenance, and contract tax rate requires or  
25 authorizes an election in the district to ratify the tax rate, a  
26 description of the purpose of the proposed tax increase; and

27 (3) contain a statement in substantially the  
28 following form, as applicable:

29 (A) if there are not any new improvements in the  
30 district in the current tax year:

31 "NOTICE OF VOTE ON TAX RATE ~~[TAXPAYERS' RIGHT TO ROLLBACK~~

ELECTION]

"If taxes on the average residence homestead increase by more than five ~~[eight]~~ percent, ~~[the qualified voters of the district by petition may require that]~~ an election must be held to determine whether to ratify ~~[reduce]~~ the ~~[operation and maintenance]~~ tax rate ~~[to the rollback tax rate]~~ under Section 49.236(d), Water Code."; or

(B) if there are any new improvements in the district in the current tax year:

"NOTICE OF TAXPAYERS' RIGHT TO ROLLBACK ELECTION

"If taxes on the average residence homestead increase by more than five percent, the qualified voters of the district by petition may require that an election be held to determine whether to ratify the tax rate under Section 49.236(e), Water Code."

(d) This subsection applies to a district only if there are not any new improvements in the district in the current tax year. If the board ~~[governing body]~~ of the ~~[a]~~ district adopts a combined debt service, operation and maintenance, and contract tax rate that would impose more than 1.05 ~~[1.08]~~ times the amount of tax imposed by the district in the preceding year on a residence homestead appraised at the average appraised value of a residence homestead in the district in that year, disregarding any homestead exemption available only to disabled persons or persons 65 years of age or older, ~~[the qualified voters of the district by petition may require that]~~ an election must be held to determine whether ~~[or not]~~ to ratify ~~[reduce]~~ the tax rate adopted for the current year ~~[to the rollback tax rate]~~ in accordance with the procedures provided by Sections 26.08(b)-(d-2) ~~[26.07(b)-(g) and 26.081]~~, Tax Code.

(e) This subsection and Subsections (f)-(i) apply to a

district only if there are any new improvements in the district  
in the current tax year. If the board of the district adopts a  
combined debt service, operation and maintenance, and contract  
tax rate that would impose more than 1.05 times the amount of  
tax imposed by the district in the preceding year on a residence  
homestead appraised at the average appraised value of a  
residence homestead in the district in that year, disregarding  
any homestead exemption available only to disabled persons or  
persons 65 years of age or older, the qualified voters of the  
district by petition may require that an election be held to  
determine whether to ratify the tax rate adopted for the current  
year in accordance with the procedures provided by Subsections  
(f)-(i) of this section and Section 26.081, Tax Code.

(f) A petition is valid only if:

(1) it states that it is intended to require an  
election in the district on the question of ratifying the tax  
rate adopted for the current year;

(2) it is signed by a number of registered voters of  
the district equal to at least:

(A) seven percent of the number of registered  
voters of the district according to the most recent official  
list of registered voters if the tax rate adopted for the  
current tax year would impose taxes for operation and  
maintenance in an amount of at least \$5 million; or

(B) 10 percent of the number of registered  
voters of the district according to the most recent official  
list of registered voters if the tax rate adopted for the  
current tax year would impose taxes for operation and  
maintenance in an amount of less than \$5 million; and

(3) it is submitted to the board on or before the  
90th day after the date on which the board adopted the tax rate

1 for the current year.

2 (g) Not later than the 20th day after the day a petition  
3 is submitted, the board shall determine whether or not the  
4 petition is valid and pass a resolution stating its finding. If  
5 the board fails to act within the time allowed, the petition is  
6 treated as if it had been found valid.

7 (h) If the board finds that the petition is valid (or  
8 fails to act within the time allowed), it shall order that an  
9 election be held in the district on a date not less than 30 or  
10 more than 90 days after the last day on which it could have  
11 acted to approve or disapprove the petition. A state law  
12 requiring local elections to be held on a specified date does  
13 not apply to the election unless a specified date falls within  
14 the time permitted by this section. At the election, the  
15 ballots shall be prepared to permit voting for or against the  
16 proposition: "Approving the ad valorem tax rate of \$ per  
17 \$100 valuation in (name of district) for the current year, a  
18 rate that is \$ higher per \$100 valuation than the district's  
19 rollback tax rate, for the purpose of (description of purpose of  
20 increase)." The ballot proposition must include the adopted tax  
21 rate and the difference between that rate and the rollback tax  
22 rate in the appropriate places.

23 (i) Sections 26.08(c), (d), (d-1), and (d-2), Tax Code,  
24 apply to an election under Subsection (e) of this section in the  
25 same manner as those subsections apply to an election under  
26 Section 26.08, Tax Code.

27 (j) For purposes of an election under Subsection (d) or  
28 (e), as applicable [Sections 26.07(b)-(g) and this subsection],  
29 the rollback tax rate of a district is the sum of the following  
30 tax rates:

31 (1) the current year's debt service tax rate;



1           (2) the current year's [and] contract tax rate; and  
2           (3) [rates-plus] the operation and maintenance tax  
3   rate that would impose 1.05 [~~1.08~~] times the amount of the  
4   operation and maintenance tax imposed by the district in the  
5   preceding year on a residence homestead appraised at the average  
6   appraised value of a residence homestead in the district in that  
7   year, disregarding any homestead exemption available only to  
8   disabled persons or persons 65 years of age or older.

9           (k) Notwithstanding any other provision of this section,  
10   the board may substitute "eight percent" for "five percent" in  
11   Subsection (a) and "1.08" for "1.05" in Subsection (d) or (e),  
12   as applicable, and Subsection (j) if any part of the district is  
13   located in an area declared a disaster area during the current  
14   tax year by the governor or by the president of the United  
15   States.

16           (l) In this section, "improvement" has the meaning  
17   assigned by Section 1.04, Tax Code.

18           SECTION \_\_. The following provisions are repealed:

- 19           (1) Sections 403.302(m-1) and (n), Government Code;  
20           (2) Section 140.010, Local Government Code;  
21           (3) Section 1063.255, Special District Local Laws  
22   Code;  
23           (4) Section 26.07, Tax Code;  
24           (5) Section 41.44(b-1), Tax Code;  
25           (6) Section 49.236, Water Code, as added by Chapter  
26   248 (H.B. 1541), Acts of the 78th Legislature, Regular Session,  
27   2003; and  
28           (7) Section 49.2361, Water Code.

29           SECTION \_\_. The changes in law made by this article  
30   relating to the ad valorem tax rate of a taxing unit apply  
31   beginning with the 2018 tax year.

SECTION \_\_\_\_\_. Sections 5.05, 5.102, 5.13, and 23.01, Tax Code, as amended by this Act, apply only to the appraisal of property for ad valorem tax purposes for a tax year beginning on or after January 1, 2018.

SECTION \_\_\_\_\_. Section 6.41(d-9), Tax Code, as amended by this Act, and Section 6.41(d-10), Tax Code, as added by this Act, apply only to the appointment of appraisal review board members to terms beginning on or after January 1, 2019.

SECTION \_\_\_\_\_. Section 6.42(d), Tax Code, as added by this Act, applies only to a recommendation, determination, decision, or other action by an appraisal review board or a panel of such a board on or after January 1, 2018. A recommendation, determination, decision, or other action by an appraisal review board or a panel of such a board before January 1, 2018, is governed by the law as it existed immediately before that date, and that law is continued in effect for that purpose.

SECTION \_\_\_\_\_. Sections 11.4391(a), 21.09(b), and 22.23, Tax Code, as amended by this Act, apply only to ad valorem taxes imposed for a tax year beginning on or after January 1, 2018.

SECTION \_\_\_\_\_. Section 25.19(b-3), Tax Code, as added by this Act, applies only to a notice of appraised value for a tax year beginning on or after January 1, 2019. A notice of appraised value for a tax year beginning before January 1, 2019, is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

SECTION \_\_\_\_\_. Section 41.03(a), Tax Code, as amended by this Act, applies only to a challenge under Chapter 41, Tax Code, for which a challenge petition is filed on or after January 1, 2018. A challenge under Chapter 41, Tax Code, for which a challenge petition was filed before January 1, 2018, is governed by the law in effect on the date the challenge petition was filed, and

1 the former law is continued in effect for that purpose.

2 SECTION \_\_. Sections 41.45 and 41.66, Tax Code, as amended  
3 by this Act, apply only to a protest filed under Chapter 41, Tax  
4 Code, on or after January 1, 2019. A protest filed under that  
5 chapter before January 1, 2019, is governed by the law in effect  
6 on the date the protest was filed, and the former law is  
7 continued in effect for that purpose.

8 SECTION \_\_. Section 41.71, Tax Code, as amended by this  
9 Act, applies only to a hearing on a protest under Chapter 41,  
10 Tax Code, that is scheduled on or after January 1, 2018. A  
11 hearing on a protest under Chapter 41, Tax Code, that is  
12 scheduled before January 1, 2018, is governed by the law in  
13 effect on the date the hearing was scheduled, and that law is  
14 continued in effect for that purpose.

15 SECTION \_\_. Sections 41A.01, 41A.03, and 41A.06, Tax Code,  
16 as amended by this Act, apply only to a request for binding  
17 arbitration under Chapter 41A, Tax Code, that is filed on or  
18 after January 1, 2018. A request for binding arbitration under  
19 Chapter 41A, Tax Code, that is filed before January 1, 2018, is  
20 governed by the law in effect on the date the request is filed,  
21 and the former law is continued in effect for that purpose.

22 SECTION \_\_. (a) Except as provided by Subsections (b) and  
23 (c) of this section, this article takes effect January 1, 2018.

24 (b) The following provisions take effect September 1,  
25 2017:

26 (1) Sections 26.04(d-4) and (e-2), Tax Code; and

27 (2) Section 26.16(d-3), Tax Code.

28 (c) The following provisions take effect September 1,  
29 2018:

30 (1) Sections 6.41(b) and (d-9), Tax Code, as amended  
31 by this Act;

1           (2) Sections 6.41(b-1), (b-2), and (d-10), Tax Code,  
2 as added by this Act;  
3           (3) Section 6.414(d), Tax Code, as amended by this  
4 Act;  
5           (4) Section 6.425, Tax Code, as added by this Act;  
6           (5) Section 25.19(b-3), Tax Code, as added by this  
7 Act;  
8           (6) Section 41.44(d), Tax Code, as amended by this  
9 Act;  
10          (7) Section 41.45(d), Tax Code, as amended by this  
11 Act;  
12          (8) Sections 41.45(d-1), (d-2), and (d-3), Tax Code,  
13 as added by this Act;  
14          (9) Section 41.66(k), Tax Code, as amended by this  
15 Act; and  
16          (10) Section 41.66(k-1), Tax Code, as added by this  
17 Act.

ADOPTED

FLOOR AMENDMENT NO.

47

MAY 23 2017

BY:

*Deliger*

*Lately Spaul*  
Secretary of the Senate

Amend C.S.H.B. 4180 (senate committee report), by inserting the following as Section 36:

SECTION 225.123. Charles H. Roan Memorial Highway. (a) The portion of US Highway 287 in Claude is designated as the Charles H. Roan Memorial Highway.

(b) Subject to Section 225.021(c), the department shall:

(1) design and construct markers indicating the designation as the Charles H. Roan Memorial Highway and any other appropriate information; and

(2) erect a marker at each end of the highway and at appropriate intermediate sites along the highway.

Renumber the following sections appropriately.

ADOPTED

RV 20-10

MAY 23 2017

*Latoy Spaw*  
Secretary of the Senate

FLOOR AMENDMENT NO.

48

BY:

*L. W. Keller*

Amend C.S.H.B. No. 4180 (senate committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_. (a) Effective September 1, 2017, the heading to Chapter 250, Local Government Code, is amended to read as follows:

CHAPTER 250. MISCELLANEOUS REGULATORY AUTHORITY [~~OF MUNICIPALITIES AND COUNTIES~~]

(b) Effective September 1, 2017, Chapter 250, Local Government Code, is amended by adding Section 250.008 to read as follows:

Sec. 250.008. REGULATIONS RELATING TO CERTAIN BATHROOM OR CHANGING FACILITIES PROHIBITED. (a) For the purposes of this section, "bathroom or changing facility" means a facility where a person may be in a state of undress, including a restroom, locker room, changing room, or shower room.

(b) A political subdivision may not adopt or enforce an order, ordinance, or other measure that relates to the designation or use of a private entity's bathroom or changing facility or that requires the entity to adopt, or prohibits the entity from adopting, a policy on the designation or use of the entity's bathroom or changing facility.

(c) In this section, "political subdivision" means a governmental entity of this state that is not a state agency and includes a county, municipality, and special purpose district or authority. The term does not include a school district.

(c) Effective September 1, 2017, Subtitle A, Title 9, Health and Safety Code, is amended by adding Chapter 769 to read as

follows:

CHAPTER 769. PUBLIC SINGLE-SEX MULTIPLE-OCCUPANCY BATHROOMS AND  
CHANGING FACILITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 769.001. DEFINITIONS. In this chapter:

(1) "Biological sex" means the physical condition of being male or female, which is stated on a person's birth certificate.

(2) "Multiple-occupancy bathroom or changing facility" means a facility designed or designated for use by more than one person at a time, where a person may be in a state of undress in the presence of another person, regardless of whether the facility provides curtains or partial walls for privacy. The term includes a restroom, locker room, changing room, or shower room.

(3) "Political subdivision" means a governmental entity of this state that is not a state agency and includes a county, municipality, and special purpose district or authority. The term does not include a school district.

(4) "Single-occupancy bathroom or changing facility" means a facility designed or designated for use by only one person at a time, where a person may be in a state of undress, including a single toilet restroom with a locking door that is designed or designated as unisex or for use based on biological sex.

SUBCHAPTER B. PUBLIC BUILDINGS

Sec. 769.51. SINGLE-SEX MULTIPLE-OCCUPANCY BATHROOM OR CHANGING FACILITY. A political subdivision with control over multiple-occupancy bathrooms or changing facilities in a building owned or leased by the political subdivision shall require that each multiple-occupancy bathroom or changing facility located in

the building be designated for and used only by persons of the same biological sex.

Sec. 769.52. ACCOMMODATIONS AUTHORIZED. This subchapter does not prohibit a political subdivision from providing an accommodation, including a single-occupancy bathroom or changing facility, on request due to special circumstances. The political subdivision may not provide an accommodation that allows a person to use a multiple-occupancy bathroom or changing facility designated for the biological sex opposite to the person's biological sex.

Sec. 769.53. PRIVATE LEASES AND CONTRACTS. A private entity that leases or contracts to use a building owned or leased by a political subdivision is not subject to Section 769.51. A political subdivision may not require the private entity to adopt, or prohibit the private entity from adopting, a policy on the designation or use of bathrooms or changing facilities located in the building.

Sec. 769.54. EXCEPTIONS. A designation of a multiple-occupancy bathroom or changing facility under Section 769.51 does not apply to:

(1) a person entering a multiple-occupancy bathroom or changing facility designated for the biological sex opposite to the person's biological sex:

- (A) for a custodial purpose;
- (B) for a maintenance or inspection purpose;
- (C) to render medical or other emergency assistance;
- (D) to accompany a person needing assistance in using the facility; or



- (E) to receive assistance in using the facility; or
- (2) a child who is:

(A) younger than 10 years of age entering a multiple-occupancy bathroom or changing facility designated for the biological sex opposite to the child's biological sex; and

(B) accompanying a person caring for the child.

Sec. 769.55. CONSIDERATION OF CERTAIN POLICIES PROHIBITED.

In awarding a contract for the purchase of goods or services, a political subdivision may not consider whether a private entity competing for the contract has adopted a policy relating to the designation or use of the entity's bathrooms or changing facilities.

SUBCHAPTER C. ENFORCEMENT

Sec. 769.101. CIVIL PENALTY. (a) A political subdivision that violates this chapter is liable for a civil penalty of:

(1) not less than \$1,000 and not more than \$1,500 for the first violation; and

(2) not less than \$10,000 and not more than \$10,500 for the second or a subsequent violation.

(b) Each day of a continuing violation of this chapter constitutes a separate violation.

Sec. 769.102. COMPLAINT; NOTICE. (a) A citizen of this state may file a complaint with the attorney general that a political subdivision is in violation of this chapter only if:

(1) the citizen provides the political subdivision a written notice that describes the violation; and

(2) the political subdivision does not cure the violation before the end of the third business day after the date of receiving the written notice.

(b) A complaint filed under this section must include:

(1) a copy of the written notice; and

(2) the citizen's sworn statement or affidavit describing the violation and indicating that the citizen provided the notice required by this section.

Sec. 769.103. DUTIES OF ATTORNEY GENERAL: INVESTIGATION AND NOTICE. (a) Before bringing a suit against a political subdivision for a violation of this chapter, the attorney general shall investigate a complaint filed under Section 769.102 to determine whether legal action is warranted.

(b) The political subdivision that is the subject of the complaint shall provide to the attorney general any information the attorney general requests in connection with the complaint, including:

(1) supporting documents related to the complaint; and

(2) a statement regarding whether the entity has complied or intends to comply with this chapter.

(c) If the attorney general determines that legal action is warranted, the attorney general shall provide the appropriate officer of the political subdivision charged with the violation a written notice that:

(1) describes the violation and location of the bathroom or changing facility found to be in violation;

(2) states the amount of the proposed penalty for the violation; and

(3) requires the political subdivision to cure the violation on or before the 15th day after the date the notice is received to avoid the penalty, unless the political subdivision was found liable by a court for previously violating this chapter.

Sec. 769.104. COLLECTION OF CIVIL PENALTY; MANDAMUS.

(a) If, after receipt of notice under Section 769.103(c), the political subdivision has not cured the violation on or before the 15th day after the date the notice is provided under Section 769.103(c)(3), the attorney general may sue to collect the civil penalty provided by Section 769.101.

(b) In addition to filing suit under Subsection (a), the attorney general may also file a petition for a writ of mandamus or apply for other appropriate equitable relief.

(c) A suit or petition under this section may be filed in a district court in:

(1) Travis County; or

(2) a county in which the principal office of the political subdivision is located.

(d) The attorney general may recover reasonable expenses incurred in obtaining relief under this section, including court costs, reasonable attorney's fees, investigative costs, witness fees, and deposition costs.

(e) A civil penalty collected by the attorney general under this section shall be deposited to the credit of the compensation to victims of crime fund established under Subchapter B, Chapter 56, Code of Criminal Procedure.

Sec. 769.105. NO CAUSE OF ACTION. (a) A political subdivision does not have any cause of action related to compliance with this chapter.

(b) A court of this state does not have jurisdiction over a cause of action related to compliance with this chapter brought by a political subdivision.

(c) On the motion of any party or the court's own motion, a

court shall dismiss a cause of action related to compliance with this chapter brought by a political subdivision.

(d) This section does not prohibit a suit or petition by the attorney general under Section 769.104.

Sec. 769.106. SOVEREIGN IMMUNITY WAIVED. Sovereign immunity to suit is waived and abolished to the extent of liability created by this subchapter.

(d) It is the intent of the legislature that every provision, section, subsection, sentence, clause, phrase, or word in this section, and every application of the provisions in this section to each person or entity, are severable from each other. If any application of any provision in this section to any person, group of persons, or circumstances is found by a court to be invalid for any reason, the remaining applications of that provision to all other persons and circumstances shall be severed and may not be affected.

(e) Section 250.008, Local Government Code, as added by this section, applies to an order, ordinance, or other measure adopted before, on, or after September 1, 2017.

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 25, 2017

**TO:** Honorable Joe Straus, Speaker of the House, House of Representatives

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4180** by Coleman (Relating to the creation, operations, functions, and regulatory authority of certain governmental entities and officials; changes in certain judicial procedures; imposing civil penalties.), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB4180, As Passed 2nd House: a negative impact of (\$344,000) through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|-------------|--|
| 2018        | (\$262,000)  |
| 2019        | (\$82,000)   |
| 2020        | (\$82,000)   |
| 2021        | (\$394,000)  |
| 2022        | (\$82,000)   |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Savings/(Cost) from General Revenue Fund<br>1 | Probable Savings/(Cost) from State Highway Fund<br>6 | Probable Savings/(Cost) from Hospital Licensing Acct<br>129 | Probable Savings/(Cost) from Healthy TX Sm Emp Prem Stabil. Fund<br>329 |
|-------------|--|--|---|---|
| 2018        | (\$262,000)  | \$31,119,000   | (\$762,507)   | (\$5,000,000)   |
| 2019        | (\$82,000)   | \$31,586,000   | (\$684,500)   | \$0   |
| 2020        | (\$82,000)   | (\$117,171,000)                                      | (\$684,500)   | \$0   |
| 2021        | (\$394,000)  | (\$118,342,000)                                      | (\$684,500)   | \$0   |
| 2022        | (\$82,000)   | \$0  | (\$684,500)   | \$0   |

| Fiscal Year | Probable Savings/(Cost) from Appropriated Receipts<br>666 | Probable Revenue Gain/(Loss) from Appropriated Receipts<br>666 | Probable Savings/(Cost) from Texas Emissions Reduction Plan<br>5071 | Probable Revenue Gain/(Loss) from Texas Emissions Reduction Plan<br>5071 |
|-------------|---|--|---|--|
| 2018        | (\$207,622)   | \$207,622  | (\$47,076,977)  | (\$31,119,000)   |
| 2019        | (\$22,180)  | \$0  | (\$47,064,377)  | (\$31,586,000)   |
| 2020        | \$0   | \$0  | (\$164,900,881)   | \$213,861,000  |
| 2021        | \$0   | \$0  | (\$164,900,881)   | \$215,032,000  |
| 2022        | \$0   | \$0  | (\$164,900,881)   | \$96,690,000   |

| Fiscal Year | Probable Revenue Gain/(Loss) from Dedicated Hospital Perpetual Care Account | Change in Number of State Employees from FY 2017 |
|-------------|---|--|
| 2018        | \$5,000,000   | 12.0   |
| 2019        | \$0   | 12.0   |
| 2020        | \$0   | 12.0   |
| 2021        | \$0   | 12.0   |
| 2022        | \$0   | 12.0   |

Fiscal Analysis

Provisions of this bill establish the requirement that the Comptroller of Public Accounts (Comptroller) create and post on the internet a Special Purpose District Public Information Database containing certain information on special purpose districts that: (1) are authorized to impose an ad valorem tax or a sales and use tax, to impose an assessment, or to charge a fee, and (2) during the most recent fiscal year had bonds outstanding, had gross receipts in excess of \$250,000, or had cash and temporary investments in excess of \$250,000. The bill would require the Comptroller to include certain information for each district in the database, including, but not limited to, the following information: local debt information required under Section 140.008(b) or (g) of the Local Government Code; total amount of bonds authorized by voters and the aggregate initial principal amount of the bonds issued that are payable wholly or partly by ad valorem taxes; rate of any sales and use tax imposed; and ad valorem tax rate information. The bill would require the Comptroller to develop and post the database by September 1, 2018. The Comptroller would be required to update information in the database annually.

Districts would be required to transmit records and other information annually to the Comptroller, in a form and manner prescribed by the Comptroller, for the purpose of operating and updating the database. The bill would require the Comptroller to maintain a noncompliance list of districts that

have not submitted the required information. The bill would require the Comptroller to provide written notice to a district that does not provide the required information that the district is in violation of Section 203.062 of the Local Government Code, as added by the bill, and that the district will be subject to a penalty of \$1,000 if the district does not report the required information on or before the 30th day after the date the notice is provided. If after 30 days the district does not submit the required information, the district would be subject to the \$1,000 civil penalty. The Comptroller would be required to provide a second notice informing the district that the district is liable for the initial \$1,000 penalty and would be subject to an additional \$1,000 penalty if the district does not report the required information on or before the date the second notice is provided. The bill would authorize the Office of the Attorney General (OAG) to sue to collect the civil penalties.

The bill would require the Comptroller to implement the provisions of the bill relating to the database only if the Legislature appropriates funding specifically for that purpose and would allow the agency to implement the provisions using other appropriations if available.

The bill would amend the Code of Criminal Procedure to authorize an acquitted individual, or an attorney for the state, to request an expunction order. It is assumed any costs associated with implementing this provision could be absorbed within current resources.

The bill would amend the Code of Criminal Procedure to authorize a court that grants a petition for expunction of a criminal record to order that any fee, or portion of a fee, required to be paid in relation to the petition be returned to the petitioner. Based on the analysis of the Office of Court Administration (OCA), Department of Public Safety, and Comptroller of Public Accounts, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. Based on the analysis of OCA, a decrease in revenue is anticipated from reimbursing fees associated with the filing of a petition for expunction. The exact amount of the impact cannot be determined because fees vary from county to county and reimbursement of the fees is discretionary, not mandatory; however, the fiscal impact to the state is not anticipated to be significant.

The bill would amend the Government Code to authorize a court issuing an order of nondisclosure of criminal history record information to also order that any fee, or portion of a fee, required to be paid in relation to the petition and order of nondisclosure be returned to the person who is the subject of that order. Implementing the provisions of the bill would result in a decrease in revenue from reimbursing fees associated with the filing of a petition for expunction, but this decrease is not anticipated to be significant based on the analysis of the Office of Court Administration and Comptroller of Public Accounts.

The bill would amend the Transportation Code to increase the civil penalty to not more than \$5,000, in addition to a criminal penalty, on a person who operates an automotive wrecking and salvage yard in violation of the chapter. A penalty collected would be deposited into the county or municipal treasury, as applicable.

The bill would require a recipient or former recipient of a limitation on appraised value under Chapter 313 of the Tax Code to contract with an independent certified public account to verify data certified to the Comptroller. According to the Comptroller and Workforce Commission, any costs associated with implementation of this provision could be absorbed within existing resources.

The bill would amend the Local Government Code by adding Section 140.012 regarding the authorization of certain political subdivisions and other public entities to spend money on

lobbying activities. These provisions would only apply to: a political subdivision that imposes a tax or issues bonds; a special district that issues bonds; a regional mobility authority; a transit authority; a regional tollway authority; a special purpose district; a public institution of higher education; a community college district; a utility owned by the state or a political subdivision; or a river authority. The bill would require the political subdivision or entity (henceforward referred to entity) to vote on the expenditure of funds to influence legislation as a stand-alone item on the agenda. The entity would be required to report to the Texas Ethic Commission (Ethics Commission) and publish on the entity's website the amount of money authorized, the name of any person required to register as a lobbyist, and a copy of any contract for services. These provisions would require the entity to report to the Ethics Commission and publish the amount of public money spent for membership fees and dues to any nonprofit organization or association that directly or indirectly attempt to influence pending legislation. The Ethics Commission would be required to create and make available to the public a searchable database on Ethic's website the data from the above reports. Based on the information provided by the Ethics Commission, this analysis assumes that any costs associated with implementing this provision could be absorbed within existing resources.

The bill would amend Chapter 33 of the Tax Code, regarding property tax delinquency, to prohibit a chief appraiser from disqualifying an individual who is 65 years of age or older from the entitlement to receive a property tax deferral or abatement because the relevant property is no longer the individual's principal residence without first providing written notice. The notice would be required to include a form on which the individual may indicate that the property remains the individual's principal residence and a self-addressed postage prepaid envelope with instructions. The chief appraiser would be required to consider the individual's response on the form in determining whether the property remains the individual's principal residence. If chief appraiser does not receive a response on or before the 60th day after the date the notice is mailed, the chief appraiser may make a determination that the property is no longer the individual's principal residence on or after the 30th day after the expiration of the 60-day period, but only after making a reasonable effort to locate the individual and determine whether the property remains the individual's principal residence. An additional notice that includes certain specified language and information sent by first class mail, return service requested, or notice in another manner determined by the chief appraiser, would constitute a reasonable effort. The bill's requirement that a chief appraiser must provide written notice and make a reasonable effort to locate an individual who is 65 years of age or older before disqualifying the individual from receiving a property tax deferral or abatement because the relevant property is no longer the individual's principal residence could create a cost to local taxing units and to the state through the school finance formulas because the payment of some taxes may be deferred that would otherwise not be. The number of individuals who might receive a tax deferral or abatement as a result of the provision is unknown but the cost is not anticipated to be significant.

The bill would amend the Government Code allowing Tarrant County to set the salary of a full-time magistrate to not exceed 90 percent of the sum of the salary of a district judge paid by the state and the maximum amount of county contributions and supplements allowed by law. The bill would also clarify the powers of Tarrant County criminal law magistrates.

The bill would amend the Government Code to exclude from the statutory maximum salary of a judge compensation for extrajudicial services performed by a district judge for a court located in a county with a population of 1.8 million or more that is adjacent to a county with a population of 2.2 million or more. Based on the analysis of the Office of Court Administration, duties and responsibilities associated with implementing the provisions could be accomplished using existing resources.



The bill would amend the Local Government Code to prohibit counties with a population equal to or more than 3.3 million from using various county revenue sources to fund the improvement or redevelopment of an obsolete sports facility if the improvement or redevelopment would cost \$10 million or more unless the funding is approved by voters of the county at an election held for that purpose. Defines obsolete sports facility. According to the Comptroller of Public Accounts, the provisions of the bill would have no fiscal impact on the state.

The bill would amend the Local Government Code to modify certain existing reporting requirements imposed on regional planning commissions. Specifies the information that must be reported on the expenditures of funds by these commissions. Clarifies that the reporting period is the fiscal year of the commission. Requires the report be delivered to members of the Legislature who represent a district located wholly or in part in the region of the commission as well as to each participating governmental unit in the region. Specifies that, in the event a receiver is appointed by the Governor due to a failure of the commission, no funds may be expended by the commission other than those necessary to correct the failure. According to the Office of the Governor, the provisions are anticipated to have no fiscal implication to state government.

The bill would amend the Government Code, Water Code, and Local Government Code relating to the notice requirements for special purpose districts. The bill would require the annexation of land to a special purpose district to use the same notice required for establishing a special purpose district.

The bill would amend the Government Code allowing Bowie County to appoint bailiffs to serve the certain district courts of the county. The bill would require the sheriff of the county to deputize these appointments and would classify the bailiffs as peace officers for certain purposes of the Code of Criminal Procedure. The Office of Court Administration does not anticipate this provision of the bill creating a significant fiscal impact for the State or local government.

The bill would amend the Health and Safety Code by adding a chapter to establish a health care provider participation program for certain counties that have a population more than 75,000, are not served by a hospital district or a public hospital, and borders or includes a portion of the Sam Rayburn Reservoir. The health care provider participation program would authorize a county to collect mandatory payments from nonpublic hospitals that provide inpatient hospital services. These payments would be deposited into a local provider participation fund to fund intergovernmental transfers and subsidize indigent care programs. Intergovernmental transfers would be used by the Health and Human Services Commission (HHSC) as the nonfederal share to draw down Medicaid supplemental payments including payments to the Medicaid managed care program that are dedicated for payment to hospitals. The bill specifies that if a state agency determines that a waiver from a federal agency is necessary, the agency shall request the waiver and delay implementation until such waiver is received. The nonfederal share of Texas Medicaid supplemental payments is provided largely by local public funds provided to HHSC by intergovernmental transfer. The bill's amendments do not contain any implications for state General Revenue funds. According to the Department of Health and Human Services, there would be no significant fiscal impact to the agency resulting from implementation of the bill. According to the Health and Human Services Commission, the agency has an oversight role in this process and would absorb any administrative costs within existing resources.

The bill would amend the Local Government Code to establish that a county judge in a meeting cby videoconference is the presiding officer of a commissioners court only when the county judge is located at the physical space made available to the public for the meeting. The Office of Court Administration indicates that no significant fiscal implication to the state is anticipated from this provision of the bill.

The bill would amend the Health and Safety Code to modify the composition and eligibility of certain emergency services commissions that serve multiple counties. Exempts certain counties from certain election requirements of emergency service commissions that serve multiple counties. Validates, ratifies, and confirms the acts and proceedings of certain emergency services districts.

The bill would amend the Health and Safety Code to authorize commissioner's courts to dissolve programs established by these courts.

The bill would amend the Health and Safety Code by requiring a local mental health authority at least once per year to consult with the sheriff or a representative of the sheriff regarding the use of funds received. The Commission on Law Enforcement, Department of State Health Services, and Health and Human Services Commission anticipate no fiscal impact from this provision of the bill to the State.

The bill would amend the Local Government Code to restrict an existing authorization for counties and municipalities to require property owners to remove graffiti. The limitation would limit this authorization to commercial property and explicitly prohibit this requirement for residential property.

The bill would require a county department of education in a county with a population of four million or more according to the most recent federal decennial census to be subject to a one-time sunset review, but not abolishment, as if the department were to be scheduled to be abolished September 1, 2019. The bill would establish the requirements of the review and would require the Harris County Department of Education to reimburse the Sunset Advisory Commission (SAC) for the cost of performing the review.

The bill would amend the Local Government Code allowing certain counties to designate areas as a water recreation safety zone. The bill contains provisions relating to designation of the zone, zone fees, and dissolution of the zone. If the zone is approved by voters the commissioner court may impose a fee to fund the employment of additional peace officers to provide law enforcement in the zone.

The bill would amend the Health and Safety Code to modify the procedures to be used in conducting certain elections regarding a sales tax supporting an emergency services district and specifies certain ballot language to be used in such an election. According to the Comptroller of Public Accounts, the bill would have no fiscal impact on the state. The bill would have a positive, but undetermined fiscal impact on units of local government.

The bill would amend the Local Government Code to extend an existing authorization to regulate the operation of game rooms in certain counties to include certain additional counties.

The bill would amend the Election Code and Government Code to require a political subdivision holding an election for general obligation bonds must post any sample ballot prepared for the election on their website. The bill would prohibit a political subdivision from issuing a bond to purchase, construct, or improve personal property if the average maturity date of the bonds exceeds 120 percent of the projected average useful life. The bill would prohibit a political subdivision from using unspent bond proceeds for any other purpose than what the bonds were issued for unless the specified purpose is accomplished or abandoned and an election is held in which a majority of voters approve the use for a proposed purpose. The bill would repeal Chapter 1332 of the Government Code. The Texas Education Agency does not anticipate a significant

fiscal impact from the bill and the Secretary of State would update advisory materials within existing resources.

The bill would require the Texas Department of Transportation (TxDOT) to design, construct, and erect highway markers designating a portion of State Highway 31 as the Navarro County Vietnam Memorial Loop, subject to Section 225.021 (c), Transportation Code. Section 225.021 (c), Transportation Code, specifies that TxDOT may not design, construct, or erect the marker unless a grant or donation of funds is made to the department to cover the cost. Based on the analysis of TxDOT, it is assumed any duties associated with the implementation of the provisions of the bill could be absorbed within the agency's existing resources.

The bill would amend the Local Government Code to permit the governing body of certain municipalities to restrict, by ordinance, a registered sex offender from going in, on, or within a specified distance of a child safety zone in the municipality. The bill would permit an ordinance to establish a distance requirement of not more than 1,000 feet. The bill provides definitions and an affirmative defense to prosecution of an offense under the ordinance. Under the provisions of the bill, the ordinance could establish procedures for a registered sex offender to apply for and receive an exemption from the ordinance. The bill would require an ordinance to exempt a registered sex offender who established residency located within the specified distance before the date the ordinance was adopted. According to the Office of Court Administration, no significant impact to the state court system is anticipated.

The bill would amend the Local Government Code to prohibit a judge or district judge from setting a compensation rate for a county auditor or assistant auditor that is inconsistent with a wage and compensation plan adopted by the county. The bill would apply only to counties located on an international border, with a population of less than 300,000, and that contain one or more municipalities with a population of 200,000 or more. The compensation of these positions is funded from local sources, therefore the bill has no fiscal impact to the state.

The bill would amend the Local Government Code and Health and Safety Code relating to regulations and policies for entering or using a bathroom or changing facility. The bill would authorize a civil penalty for violations of this act. Based on information provided by the Office of Court Administration, Office of the Attorney General, Comptroller of Public Accounts, Department of Criminal Justice, Texas Education Agency, Texas A&M University System Administration, University of Texas System Administration, University of North Texas System Administration, and University of Houston System Administration it is assumed that any costs associated with the implementation of the bill would be absorbed within existing agen

The bill would require each county board of education, board of county school trustees, or office of county school superintendent in a county with a population of 2.2 million or more and that is adjacent to a county with a population of more than 800,000 to be abolished effective November 15, 2017, unless the entity was continued by voters through an election in November 2017. The bill would provide for the process by which each applicable entity should be dissolved. This analysis assumes the provisions of this bill would apply only to the county education department for Dallas County. TEA anticipates that any cost to the state associated with implementing the provisions of the bill would be minimal.

The bill would amend the Health and Safety Code allowing the Tarrant County Hospital District to participate in a health care provider participation program. The authority of the district to administer and operate this program expires December 31, 2019. The Health and Human Services Commission assumes any cost associated with implementing the provisions of the bill can be absorbed within existing resources.

The bill would amend the Health and Safety Code to establish mosquito control districts for an urgent public health purpose. The Department of State Health Services indicates it could absorb the costs associated with the bill within its current resources.

The bill regulates the authority of a code enforcement officer to carry an instrument used for deterring the bite of an animal. According to Texas Department of Licensing and Regulation the education requirements can be absorbed within existing resources

The bill would amend the Code of Criminal Procedure allowing the venue for the disposition of stolen property to be in the county where the property was alleged to be stolen.

The bill would amend Chapter 654, Acts of the 71st Legislature, Regular Session , 1989, to allow the Springhills Water Management District to cap an open, uncovered, or abandoned water well or to plug and permanently close a deteriorated water well or to require an owner or lessee of land to do the same. The amendment would allow the District to use any available funds for this purpose, and would allow the District to place a lien on the land in which the well is located. The amendment would allow the District to enforce this section in court.

The bill would amend Chapter 41 of the Tax Code, regarding local property tax review. Current law requires a chief appraiser and a property owner, before a hearing on a protest, to provide each other a copy of any written material, or material preserved on a portable device, that the person intends to offer or submit to the appraisal review board at the hearing (exchanged material). The bill would require each person to provide the exchanged material in the manner and form prescribed by Comptroller rule. Current law requires a chief appraiser to provide certain audiovisual equipment to a property owner for use at a hearing. The bill would require that the audiovisual equipment be provided as prescribed by Comptroller rule.

The bill would amend Chapter 41A of the Tax Code, regarding appeals through binding arbitration, to require the Comptroller to remove a person from the arbitrator registry if the Comptroller determines by clear and convincing evidence that there is good cause to remove the person, including evidence of repeated bias or misconduct by the person while acting as an arbitrator.

The Comptroller would be required to, on receipt from an appraisal district of a property owner's request for binding arbitration with deposit, appoint an eligible arbitrator who is listed in the Comptroller's registry, and send notice to the appointed arbitrator requesting the individual to conduct the arbitration hearing. Existing language regarding the selection of arbitrators would be deleted. The bill would establish residency and eligibility requirements for arbitrators. The Comptroller would be prohibited from appointing an arbitrator if the Comptroller determines that there is good cause not to appoint the arbitrator, including information or evidence indicating repeated bias or misconduct by the person while acting as arbitrator. The changes proposed by the bill regarding the removal and appointment of arbitrators would apply only to a request for binding arbitration received by the Comptroller on or after the bill's effective date. The bill would make conforming repeals. The bill would not affect taxable property values, tax rates, collection rates, or any other variable which might affect the revenues of units of local governments or the state.

The bill would amend statute to establish a task force to conduct a comprehensive study on flood control infrastructure for Harris and Galveston Counties. The bill would appoint two representatives from the University of Houston's Hobby School of Public Affairs or the Cullen College of Engineering and Texas Southern University's Barbara Jordan-Mickey Leland School of

Public Affairs or Department of Transportation Studies. The bill would require the Hobby School of Public Affairs and the Cullen College of Engineering at the University of Houston provide necessary support to the task force. The bill would require the task force to submit a report to the Legislature and the Governor no later than December 1, 2018. The institutions noted there would be costs associated with the bill, however, this analysis assumes implementation of the legislation can be accomplished within existing resources.

The bill would amend Chapter 2206 of the Government Code related to eminent domain requirements for certain entities. The Comptroller indicates that any costs associated with the bill could be absorbed within existing resources.

The bill would amend the Health and Safety Code relating to a task force of border health officials. Based on the LBB's analysis of the Department of State Health Services, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

The bill would disqualify ecological laboratory land from special open-space land appraisal if it is used for such appraisal in 2017. As a result, taxable property values could be increased and the related costs to the Foundation School Fund could be decreased through the operation of the school finance formulas.

The bill would amend Chapter 23 of the Tax Code, regarding property tax appraisal methods and procedures, to provide that land used principally as an ecological laboratory by a public or private college or university does not qualify for special open-space land appraisal on the basis of that use unless the land was appraised as qualified open-space land on the basis of that use for the 2017 tax year. Special open-space land appraisal results in an appraised value for property tax purposes that is significantly less than the market value. The bill's proposed disqualification of ecological laboratory land from special open-space land appraisal if it is not already qualified for such appraisal in 2017 would create a gain to local taxing units and to the state through the school finance formulas by causing certain ecological laboratory land that cannot otherwise qualify for special appraisal to be appraised at market value. The amount of future ecological laboratory land that would be disqualified by the bill is unknown; consequently, the gain cannot be estimated.

The bill would amend the Water Code relating to the administration of certain water district. According to Texas Commission on Environmental Quality, the agency can absorb the cost relating to implementing the provisions of this section.

The bill would amend the Election Code and Local Government Code relating to the requirements for certain petitions requesting an election and ballot propositions. The Secretary of State assumes any additional work associated with implementing the provision could be absorbed using existing resources.

The bill would amend the Local Government Code relating to the sale of parkland owned by certain municipalities.

The bill would amend the Transportation Code to require the Texas Department of Transportation (TxDOT) to establish a system to track liquidated damages retained and require TxDOT to determine for each TxDOT district the amount of money retained each year that is attributable to projects located in the district and allocate to each district an amount of money for transportation projects equal to the amount determined for each district. TxDOT reports that the agency currently assesses penalties for contractor delays as liquidated damages. The dollar amount specified as liquidated damages is deducted from any payments due to the contractor. Based on LBB's analysis



of information provided by TxDOT, it is assumed TxDOT would program an amount of funding for highway construction and maintenance projects in the applicable districts in an amount equal to the value of liquidated damages assessed on contracts in those districts in the previous fiscal year. This analysis assumes any costs or duties associated with implementing the provisions of the bill could be absorbed within the agency's existing resources.

The bill would amend the Special District Local Laws Code relating to the board of directors for the Agua Special Utility District. The bill would require one of the directors to be elected by voters of the City of La Joya within the district and two directors elected at-large. The bill would prohibit the board from employing a director as an employee, consultant, or contractor an elected official of the largest public employer in the service area of the district or a person related to the elected official in the third degree of consanguinity or affinity.

The bill would amend the Transportation Code to authorize the Texas Department of Motor Vehicles (TxDMV) to issue an annual permit for the international transportation of intermodal shipping containers moving by a truck-tractor and semitrailer combination that has six axles, is equipped with certain safety systems, and is within certain gross weight and axle weight limits as specified by the bill. The bill would require TxDMV to restrict vehicles operating under this permit to routes that are located in a county with a population of more than 90,000, on the state highway system, and are not more than five miles from the border between Texas and Arkansas. The bill would require TxDMV to set the amount of the permit fee in an initial amount not to exceed \$2,000; of which 90 percent would be deposited to the State Highway Fund (SHF), five percent deposited to the TxDMV Fund, and five percent to the appropriate county road and bridge fund. Beginning in 2022, on September 1 of each even-numbered year, TxDMV would be required to set the permit fee in an amount based on a reasonable estimate of the costs associated with the operation of the permitted vehicles over the authorized routes, including any increase in highway maintenance costs based on a study to be conducted by the Texas Department of Transportation (TxDOT). The bill would specify that permit fees deposited to the SHF may only be used for transportation projects in the TxDOT districts designated on the permit applications. Based on LBB's analysis of the information provided by TxDMV and the Texas Department of Transportation, it is assumed any costs or duties associated with implementing the provisions of the bill could be absorbed within existing resources. TxDMV indicates that the issuance of permits under the provisions of the bill would not result in a significant revenue gain to the SHF and TxDMV Fund.

The bill would amend the Labor Code relating to criminal history information of employment applicant or employee. The bill would prohibit a political subdivision of the state from adopting or enforcing any ordinance that prohibits, limits, or regulates a private employer's ability to request or consider the criminal history record of an applicant or employee. The bill would not apply to a political subdivision from enforcing an ordinance or regulating criminal history access if the individual is entering into a contract or receiving a grant.

The bill would amend the Government Code to establish a "Camo Alert" program for missing military members who suffer from a mental illness, including post-traumatic stress disorder or a traumatic brain injury. The new alert program would place the same requirements on both the Department of Public Safety and the Texas Department of Transportation that exist for the Amber, Silver, and Blue Alert programs. It is assumed that implementing the provisions of the bill could be absorbed within existing resources. The Department of Transportation, after communicating with the Federal Highway Administration, does not anticipate that the federal agency would consider the bill's "Camo Alert" program to be out of compliance with the federal Manual on Uniform Traffic Control Devices, so long as the "Camo Alert" program includes provisions to ensure that the messages are transportation related; clear; concise; and easily understood. Further,

the program would need to include provisions requiring confirmation of a person meeting the "Camo Alert" criteria.

The bill would amend Government Code to provide financial assistance to the survivors of jailers and county jailers or guards who are killed in the line of duty. Under provisions of the bill, funding of \$500,000 per claim would be provided, as well as monthly payments to the guardians of surviving children. The bill would also provide funeral expenses and certain annuity payments. The occurrence and timing of these events are difficult to predict. Based upon historical experience, the Employees Retirement System estimates that three additional deaths would be eligible for financial assistance in the five years following implementation of the bill. The Commission on Jail Standards and the Texas Commission on Law Enforcement indicate that there are approximately 18,000 licensed county jailers and two have died in the line of duty since 2014.

The bill would require the Texas Department of Transportation (TxDOT) to design, construct, and erect highway markers designating a portion of U.S. Highway 287 as the Charles H. Roan Memorial Highway, subject to Section 225.021 (c), Transportation Code. Section 225.021 (c), Transportation Code, specifies that TxDOT may not design, construct, or erect the marker unless a grant or donation of funds is made to the department to cover the cost. Based on the analysis of TxDOT, it is assumed any duties associated with the implementation of the provisions of the bill could be absorbed within the agency's existing resources.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

## Methodology

For the provisions of the bill relating to the Texas emissions reduction plan:

The new purchasing requirements in Government Code, §2158.051 are not estimated to have any significant fiscal impact. PUC estimates that implementing the amended reporting requirements could be implementing using existing resources.

The LDMVPLI program renewal is limited to funding 1,000 incentives for light-duty motor vehicles powered by compressed natural gas or liquefied petroleum gas in the amount of \$5,000 per incentive in the biennium, and 2,000 incentives for light-duty motor vehicles powered by electric drive in the amount of \$2,500 per incentive in the biennium, for a total program cost of \$5,000,000 for the biennium, or \$2,500,000 each fiscal year.

This estimate is based on GAFFG program funding being 3 percent of the ending fund balance in the TERP Fund at the end of fiscal year 2017; according to the Comptroller's 2018-19 Biennial Revenue Estimate, this fund balance will be \$1,384,166,000. The GAFFG program's maximum funding for fiscal year 2018 would be \$41,524,980. This estimate assumes a program allocation of this amount each fiscal year that follows. TCEQ estimates that the cost of implementing an online application system for the GAFFG program would cost \$300,000 in the first year and \$300,000 in the second year for system design, development, and implementation. Ongoing maintenance costs are estimated to be \$5,000 per fiscal year. These costs would be funded from the TERP account and area also included in the 3 percent funding total. TCEQ estimates that, in order to administer and implement the new GAFFG program, 3.0 FTEs would be required (two planner positions to administer the program processes and a contract specialist). Fewer FTEs would be needed if

appropriations were lower.

The bill would expand the types of NTIG projects that would be eligible for TERP funding to include oil and gas-related activities. TCEQ estimates additional staff with expertise in the oil and gas field would be required. It is estimated that an additional 2.0 FTEs (an engineering specialist, and a financial analyst) would be required in the NTIG program.

Based on estimates provided by TCEQ, an additional program supervisor would be required in the Implementation Grants Section of the TERP program. The 6.0 additional FTEs that would be necessary as a result of the bill and the associated capital and operational needs would cost \$538,287 in fiscal year 2018 and \$513,087 in fiscal year 2019. The continuing costs of these FTEs and associated operational expenses would continue at fiscal year 2019 levels in future years.

This estimate was made assuming that current TERP program activities would continue to be funded at 2016-17 funding levels, and that the new requirements concerning the renewal of the LDMVPLI program, the expansion of the NTIG program, and the implantation of the GAFFG program are funded in addition to existing TERP program activities. However, total appropriations to existing TERP programs could be reduced in order to shift funding to these new initiatives, while keeping expenditures from the TERP account the same as in the 2016-17 biennium.

This estimate assumes that any administrative expenses associated with making DERIG applications available on the agency's website would be funded through this continuation of 2016-17 appropriations, and that appropriations to TAMEES for TERP activities would remain at 2016-17 levels. This estimate assumes that no additional funds would be appropriated out of the TERP Fund because of the bill's expansion of the areas eligible for CTT program funding. Because the bill does not increase the maximum statutory allocation for CTT grant funding of 5 percent of TERP funding, this estimate assumes that funding for the program would remain constant, while the number of entities eligible to apply for funding would increase.

Beginning in fiscal year 2020, this estimate assumes that the current amount of TERP funds would continue at current levels to fund the various existing programs whereas under current law, appropriations out of the TERP Fund to TCEQ would be eliminated. Thus, in the table above a cost to the TERP Fund is included equal to the annual appropriations to TCEQ of \$118,131,504 per year for the TERP program in the 2016-17 biennium. To the extent that appropriations pursuant to this bill reduce the available balance in the TERP Fund, there would be a cost to certification.

Under current law, revenue supporting the TERP Fund would expire August 31, 2019; therefore, no fiscal implications are anticipated for fiscal years 2018 and 2019 as a result of the extension of the collection of revenue deposited to the TERP Fund. According to analysis provided by the Comptroller, this revenue would total \$96,690,000 each fiscal year.

The transfer from the SHF to the TERP Fund is set to expire under current law on August 31, 2019; the bill would extend the expiration of this transfer to August 31, 2021, resulting in an increase in revenue deposited to the TERP Fund and a revenue loss to the SHF in fiscal years 2020 and 2021. The transfer amount would only be calculated using vehicle title fee revenue collected from persons in nonattainment areas, resulting in a decrease in the revenue amount deposited to the TERP Fund as a result from the transfer in fiscal years 2018 and 2019, with an equivalent savings to the SHF.

For the provisions of the bill relating to the licensing and regulation of hospitals in this state:

HHSC has the authority to increase licensing fees to offset costs associated with implementing the



bill. However, this analysis assumes no change to current licensing fees. This analysis assumes that the requirement to conduct background checks for all license applicants would result in an insignificant number of additional background checks performed by the Department of Public Safety and any associated costs will be immaterial.

HHSC indicates that inspection of each non-deemed licensed-only hospital once every three years, and inspection of 10 percent of all remaining licensed hospitals each year would require an additional 5.1 FTEs. Costs to support this function would total \$762,507 in General Revenue Related Funds for fiscal year 2018, and \$684,500 for each subsequent fiscal year for salaries, benefits, and other operating costs. The analysis assumes 660 licensed general and special hospitals in Texas, and assumes 111 licensing surveys would be required each fiscal year to meet the requirements of the bill. This analysis assumes that a survey team would require two surveyors for each survey, and each team may conduct 45 surveys each year.

The bill would create a dedicated account in the General Revenue Fund, the Hospital Perpetual Care Account, to be used in the event DSHS takes certain actions against a hospital. The bill would require \$5.0 million to be transferred into the account from General Revenue-Dedicated Healthy Texas Small Employer Premium Stabilization Fund 329 on January 1, 2018. Based on the LBB's analysis of the State Office of Administrative Hearings and the Department of Public Safety, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing agency resources.

For the provisions of the bill relating to the administration of the ad valorem tax system:

The bill's provision that would lower the rollback rate from 108 to 105 percent of the no-new-taxes maintenance and operations rate (currently known as the effective maintenance and operations rate) plus the current debt rate could create a cost to taxing units (other than school districts) by making it more difficult to increase maintenance and operations tax rates by more than 105 percent of the no-new-taxes maintenance and operations rates. If these taxing units propose a tax rate higher than the rollback rate, the automatic rollback election might result in reducing the proposed rate to 105 percent of the no-new-taxes maintenance and operations rate plus the current debt rate. Future proposed tax rates and the outcome of any elections cannot be predicted and the increase in cost to units of local government attributable to the proposed provision cannot be estimated. There would be no cost to school districts or to the state through the school funding formula.

The provisions of the bill relating to the establishment of a database has fiscal implications for the Comptroller. This analysis estimates the costs of implementing the provisions of the bill assuming that either the Legislature appropriates money specifically for that purpose or that the agency identifies available funds.

Based on the analysis of the Comptroller, there would be a General Revenue cost of \$262,000 in fiscal year 2018 and an ongoing cost of \$82,000 in each following year. This analysis includes a one-time technology cost of \$180,000 in fiscal year 2018 for the Comptroller to develop the Special Purpose District Public Information Database. The Comptroller also indicates there would be staff costs of \$82,000 for one program specialist IV to maintain and verify data submissions from districts. This estimate is based on the agency's current costs to review and post debt-related information submitted by political subdivisions.

The Office of the Attorney General indicates that their costs to implement provisions of the bill could be absorbed within existing resources. The bill would provide for civil penalties of up to \$2,000 to a special purpose district which does not comply with provisions of the bill requiring

the reporting of information to the Comptroller to operate and update the database. The frequency of which the penalties would be applied and collected is unknown and therefore, any potential revenue increase to the General Revenue Fund is indeterminate.

For the provisions of the bill relating to providing for the review of certain county departments of education by the Sunset Advisory Commission:

According to the most recent federal decennial census, only the Harris County Department of Education would be affected by the bill. Based on information provided by the SAC, it is assumed that total costs to conduct a Sunset review of the Harris County Department of Education would include \$207,622 in 2018 and \$22,180 in fiscal year 2019. This amount would provide for 3 staff members to conduct a seven month review and includes salaries, benefits, travel, and administrative costs. According to the SAC, 90 percent of the time to conduct the review would occur in fiscal year 2018 and 10 percent in fiscal year 2019. In addition, it is assumed that all travel during fiscal year 2019. This analysis assumes the SAC would be reimbursed for performing reviews in accordance with the provisions of the bill. Costs and savings as well as the revenue gains and losses from payments to the SAC as a reimbursement for the review are reflected as Appropriated Receipts in the table above.

## **Technology**

For the provisions of the bill relating to the Texas emissions reduction plan, the online application system required by the bill for the GAFFG program would cost \$300,000 in each fiscal year of the 2018-9 biennium. Recurring maintenance costs for the system would total \$5,000 each fiscal year starting in 2020.

For the provisions of the bill relating to the licensing and regulation of hospitals in this state, FTE-related technology costs are estimated to be \$55,451 for the 2018-19 biennium and \$25,183 for each subsequent fiscal year.

For the provisions of the bill relating to the establishment of a database results in a one-time technology cost of \$180,000 in General Revenue funds in fiscal year 2018 to the Comptroller to develop the database. The cost reflects an estimated 1,200 hours of design, architecture, and coding, including the creation of mainframe tables, a security portal, an application to enter and update information, and an application to view and sort information for public use.

For the provisions of the bill relating to the Texas emissions reduction plan, the bill would expand the definition of alternative fuels for vehicles used by state agency to include vehicles powered by hydrogen fuel cells, and to clarify that "plug-in hybrid vehicles" are hybrid electric vehicles.

## **Local Government Impact**

The provisions of the bill relating to the development of a database require the Comptroller to give notice and impose up to two penalties each of \$1,000 and authorizes the Office of the Attorney General to sue to collect penalties. This analysis assumes the imposition of state civil penalty could have a fiscal impact on special purpose districts for non-compliance. Authorization of expunction orders is anticipated to have no significant impact to local courts. Local governments are anticipated to realize a decrease in revenues from reimbursing fees associated with the filing of a petition for expunction; however, a significant fiscal impact is not anticipated. Based on the analysis of the Office of Court Administration and Comptroller of Public Accounts, duties and responsibilities associated with implementing the provisions of the bill relating to non-disclosure of criminal history record information would result in a decrease in revenue to local

governments from reimbursing fees associated with the filing of a petition for expunction. This decrease is not anticipated to be significant.

For the provisions of the bill related to an increase in fines associated with operation of a salvage yard, there would be a positive fiscal impact to a local governmental entity that would vary depending on the number of violations, the amount of the penalty and the amounts collected. According to the Texas Municipal League, the fiscal impact from the provisions of the bill related to lobbying activities is not anticipated to be significant to municipalities.

For the provisions of the bill adjusting judicial compensation in certain counties, according to the Office of Court Administration the amount of additional compensation allowed to be paid to district judges by counties would increase; however, the increase would be permissive. Therefore, any fiscal impact would be made voluntarily by counties. No significant fiscal impact is anticipated. According to Dallas County, no fiscal impact is anticipated. According to Harris County, the provisions of the bill relating to the prohibition of certain stadia redevelopments would have a negative fiscal impact. The county indicated the bill would cost approximately \$4 million for a stand-alone election and \$2.5 million for a uniform election day election. Also according to the county, further fiscal effects of the bill would be contingent on voter approval in Harris County and these additional fiscal effects cannot be determined. According to the Office of the Governor, the provisions of the bill related to regional planning commissions are anticipated to have no fiscal implication to local government. According to Angelina County, the provisions of the bill relating to indigent care programs would have a minimal fiscal impact on the county. While certain administrative costs in the billing, collecting, accounting and disbursement of the funds would be incurred these are specifically allowed for reimbursement in the text of the bill. According to the Texas Association of Counties, the fiscal impact from the provisions of the bill relating to videoconferencing by county judges and authorization of program dissolution would not be significant. The Office of Court Administration indicates that no significant fiscal implication to local courts is anticipated. Because the provisions of the bill relating to certain emergency service commissions would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

For the provisions of the bill relating to consultation of local mental health authorities and sheriffs, according to the Texas Association of Counties, no significant fiscal impact is anticipated. According to the Health and Human Services Commission, local governments may experience a fiscal impact due to an increased diversion effort from the criminal justice system. Due to variation across communities the number of diversions and fiscal impact cannot be determined at this time.

For the provisions of the bill relating to the Texas emissions reduction plan, the local governments in counties contained within the bill's definition of the Clean Transportation Zone could become recipients of TERP grant awards. The extent of such funding would depend on the number of grant applications from those counties and whether those applications were competitive relative to other TERP grant applications TCEQ would receive. According to the Texas Municipal League, some municipalities would be eligible for grants under the alternative fleet grant program; however, the fiscal impact cannot be determined at this time as it is unknown the amount of funds that might be dispersed to cities through the grant program. According to the Texas Conference of Urban Counties, the fiscal impact to counties is not anticipated to be significant.

For the provisions of the bill relating to the licensing and regulation of hospitals in this state, there may be costs of an indeterminate amount to public hospitals for an emergency suspension of license, an increased penalty or increased fees. Additionally, there may be costs for hospital

staffing due to inspections, surveys, and investigations. According to the Texas Organization of Rural and Community Hospitals (TORCH), there are costs associated with a hospital preparing for survey or inspection. These costs can come from contracting with outside persons to assist with inspection and/or overtime for staff. However, the extent of the fiscal impact cannot be determined. In addition, TORCH anticipates indeterminate costs to hospitals when HHSC levies fees to keep the fund balance at \$5.0 million pursuant to the bill.

For the provisions of the bill relating to the administration of the ad valorem tax system, the bill's provision that would lower the rollback rate from 108 to 105 percent of the no-new-taxes maintenance and operations rate (currently known as the effective maintenance and operations rate) plus the current debt rate could create a cost to taxing units (other than school districts) by making it more difficult to increase maintenance and operations tax rates by more than 105 percent of the no-new-taxes maintenance and operations rates. If these taxing units propose a tax rate higher than the rollback rate, the automatic rollback election might result in reducing the proposed rate to 105 percent of the no-new-taxes maintenance and operations rate plus the current debt rate. Future proposed tax rates and the outcome of any elections cannot be predicted and the increase in cost to units of local government attributable to the provision cannot be estimated. There would be no cost to school districts or to the state through the school funding formula.

For the provisions of the bill relating to providing for the review of certain county departments of education by the Sunset Advisory Commission, the estimated costs each fiscal year to the Harris County Department of Education for the required SAC review are reflected in the table above as Appropriated Receipts.

For the provisions of the bill relating to the authority of certain counties to designate a county water recreation safety zone, the impact of the bill on local government would depend on the counties deciding to create a district and the extent to which the district would pursue district powers outlined in the bill. Revenue gain from fees imposed and collected is not anticipated to have a significant fiscal implication.

For the provisions of the bill relating to the procedure for an election to adopt a sales and use tax or to change the tax rate in an emergency services district, according to the Comptroller, the bill would have a positive, but undetermined fiscal impact on units of local government. According to Hill County Emergency Services District Number 2, the bill would have a net positive fiscal impact by authorizing implementation of the results of a sales tax election held on November 3, 2015. The sales tax would result in substantial revenue to the district, but the amount cannot be estimated.

For the provisions of the bill relating to the applicability of certain insurance laws to certain farm mutual insurance companies, because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

For the provisions of the bill relating to general obligation bonds issued by political subdivisions, according to Dallas County holding an election to spend unspent bond funds would cost an estimated \$1.5 million.

For the provisions of the bill relating to the designation of a portion of State Highway 31, no fiscal implication to units of local government.

For the provisions of the bill relating to the authority of general-law municipalities to restrict sex

offenders, according to the Texas Municipal League, many home rule cities have ordinances such as described in the bill and additional authority for general law cities would not have a significant fiscal impact to local government.

For the provisions of the bill relating to compensation of county auditors and assistant auditors in certain counties, according to the Texas Association of Counties (TAC), the bill would have no fiscal impact to local government.

For the provisions of the bill relating to regulations and policies for entering or using a bathroom or changing facility, according to the Texas Association of Counties, costs associated with the up to \$1,500 penalty assessed on governmental entities violating its provisions would accrue over the length of time taken for complaint investigations. The fiscal implication would thus depend on the length of the investigation. According to the City of Houston, the bill would have a significant impact if corporations and special events choose not to pursue certain business in the state; the city anticipates the impact could be in the millions of dollars. According to the Texas Municipal League, cities that are interested in hosting events or pursuing economic development initiatives are concerned about a loss of business to the state.

For the provisions of the bill relating to abolishing certain county boards of education, boards of county school trustees, and offices of county school superintendent, TEA indicates that there would be an impact to the districts that use the services of the affecteents. Under the provisions of the bill local school districts would need to begin to provide these services instead. TEA indicates that any state aid that was previously distributed to the county education departments for their services would presumably be retained by the local school districts, therefore the net fiscal impact to local governments should be minimal.

For the provisions of the bill relating to the creation and operations of a health care provider participation program by the Tarrant County Hospital District, no significant fiscal implication to units of local government is anticipated.

For the provisions of the bill relating to mosquito control districts, according to Cameron County, the bill would cost the County an estimated \$435,000 in fiscal year 2018 and \$480,000 in fiscal year 2019, or \$915,000 for the 2018-19 biennium. The five-year cost to General Revenue is estimated to be \$2,530,000. Costs associated with implementation are related to the hiring 7.0 new FTEs, lab contracts, and training.

For the provisions of the bill elating to the authority of a code enforcement officer, no significant fiscal impact is anticipate for local governments whose code enforcement officers receive certification for carrying an instrument to deter the bite of an animal.

For the provisions of the bill relating to venue for the disposition of stolen property According to the Justices of the Peace and Constables Association, no local fiscal impact from the bill is anticipated

For the provisions of the bill relating to certain water management districts, no significant fiscal implication to units of local government is anticipated.

For the provisions of the bill relating to the system for prottions, no fiscal implication to units of local government is anticipated.

For the provisions of the bill relating to the establishment of a task force to conduct a comprehensive study on flood control infrastructure, no significant fiscal implication to units of



local government is anticipated.

For the provisions of the bill relating to eminent domain reporting requirements, according to the Texas Municipal League, the fiscal impact to municipalities is not anticipated to be significant.

For the provisions of the bill relating to a task force of border health officials, according to the Department of State Health Services, border local governments serving on the task force will incur travel costs for task force activities and meetings.

For the provisions of the bill relating to the eligibility of land used as an ecological laboratory for appraisal, passage of the bill would disqualify ecological laboratory land from special open-space land appraisal if it is not already qualified for such appraisal in 2017. As a result, taxable property values and the related ad valorem tax revenue for units of local government could be increased.

For the provisions of the bill relating to administration of certain watertricts, no significant fiscal implication to units of local government is anticipated.

For the provisions of the bill relating to the requirements for certain election propositions, according to the City of Houston, the bill would have a significant fiscal impact on the City as well as all home-rule cities. The cost cannot be determined at this time because litigation and election costs vary. Additionally, costs may include an increase in cost for legal services, ballot republishing costs, and costs associated with postponed municipal financial action items due to citizen petitions.

For the provisions of this bill relating to the sale of park land owned by certain municipalities, according to the City of Pasadena, the bill would have a positive fiscal impact.

For the provisions of the bill relating to the allocation of money associated with delays of transportation projects, no significant fiscal implication to units of local government is anticipated.

For the provisions of the bill relating to the board of directors of the Agua Special Utility District, no fiscal implication to units of local government is anticipated.

For the provisions of the bill relating to permits for the movement of intermodal shipping containers, no significant fiscal implication to units of local government is anticipated.

For the provisions of the bill relating to the authority of a political subdivision to adopt or enforce certain regulations, according to the Texas Municipal League, no fiscal impact to municipalities is anticipated from the provisions of the bill.

For the provisions of the bill relating to the creation of a statewide alert system for missing military members, no significant fiscal implication to units of local government is anticipated.

For the provisions of the bill relating to financial assistance paid to the survivors of certain law enforcement officers, according to the Texas Association of Counties, Travis County reported the bill would have no fiscal impact on the County as no corrections officers have died in the line of duty. According to Denton County, the bill would have no significant fiscal impact on the County.

For the provisions of the bill related to Highway 287, no significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General

**LBB Staff:** UP, JGA, SD, GP, SJS

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 22, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB4180** by Coleman ( Relating to the creation, operations, functions, and regulatory authority of certain governmental entities and officials; changes in certain judicial procedures; imposing civil penalties.), **Committee Report 2nd House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB4180, Committee Report 2nd House, Substituted: a negative impact of (\$344,000) through the biennium ending August 31, 2019. The Comptroller is not required to implement the provisions of this legislation relating to the establishment of a database in the absence of an appropriation.

The potential revenue to the state resulting from the collection of various fees, assessments, and civil fines in various provisions of the bill are indeterminate.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact<br>to General Revenue Related Funds |
|-------------|---|
| 2018        | (\$262,000)   |
| 2019        | (\$82,000)  |
| 2020        | (\$82,000)  |
| 2021        | (\$82,000)  |
| 2022        | (\$82,000)  |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Savings/(Cost) from<br>General Revenue Fund<br>1 | Change in Number of State Employees<br>from FY 2017 |
|-------------|---|---|
| 2018        | (\$262,000)   | 1.0   |
| 2019        | (\$82,000)  | 1.0   |
| 2020        | (\$82,000)  | 1.0   |
| 2021        | (\$82,000)  | 1.0   |
| 2022        | (\$82,000)  | 1.0   |



## Fiscal Analysis

The cost for the bill is generated through the requirement that the Comptroller of Public Accounts (Comptroller) create and post on the internet a Special Purpose District Public Information Database containing certain information on special purpose districts that: (1) are authorized to impose an ad valorem tax or a sales and use tax, to impose an assessment, or to charge a fee, and (2) during the most recent fiscal year had bonds outstanding, had gross receipts in excess of \$250,000, or had cash and temporary investments in excess of \$250,000. The bill would require the Comptroller to include certain information for each district in the database, including, but not limited to, the following information: local debt information required under Section 140.008(b) or (g) of the Local Government Code; total amount of bonds authorized by voters and the aggregate initial principal amount of the bonds issued that are payable wholly or partly by ad valorem taxes; rate of any sales and use tax imposed; and ad valorem tax rate information. The bill would require the Comptroller to develop and post the database by September 1, 2018. The Comptroller would be required to update information in the database annually.

Districts would be required to transmit records and other information annually to the Comptroller, in a form and manner prescribed by the Comptroller, for the purpose of operating and updating the database. The bill would require the Comptroller to maintain a noncompliance list of districts that have not submitted the required information. The bill would require the Comptroller to provide written notice to a district that does not provide the required information that the district is in violation of Section 203.062 of the Local Government Code, as added by the bill, and that the district will be subject to a penalty of \$1,000 if the district does not report the required information on or before the 30th day after the date the notice is provided. If after 30 days the district does not submit the required information, the district would be subject to the \$1,000 civil penalty. The Comptroller would be required to provide a second notice informing the district that the district is liable for the initial \$1,000 penalty and would be subject to an additional \$1,000 penalty if the district does not report the required information on or before the date the second notice is provided. The bill would authorize the Office of the Attorney General (OAG) to sue to collect the civil penalties.

The bill would require the Comptroller to implement the provisions of the bill relating to the database only if the Legislature appropriates funding specifically for that purpose and would allow the agency to implement the provisions using other appropriations if available.

The remaining provisions of the bill would either have no fiscal or no significant fiscal impact to the state.

The bill would amend the Code of Criminal Procedure to authorize an acquitted individual, or an attorney for the state, to request an expunction order. It is assumed any costs associated with implementing this provision could be absorbed within current resources.

The bill would amend the Code of Criminal Procedure to authorize a court that grants a petition for expunction of a criminal record to order that any fee, or portion of a fee, required to be paid in relation to the petition be returned to the petitioner. Based on the analysis of the Office of Court Administration (OCA), Department of Public Safety, and Comptroller of Public Accounts, duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources. Based on the analysis of OCA, a decrease in revenue is anticipated from reimbursing fees associated with the filing of a petition for expunction. The exact amount of the impact cannot be determined because fees vary from county to county and reimbursement of the fees is discretionary, not mandatory; however, the fiscal impact to the state is not anticipated to be significant.

The bill would amend the Government Code to authorize a court issuing an order of nondisclosure of criminal history record information to also order that any fee, or portion of a fee, required to be paid in relation to the petition and order of nondisclosure be returned to the person who is the subject of that order. Implementing the provisions of the bill would result in a decrease in revenue from reimbursing fees associated with the filing of a petition for expunction, but this decrease is not anticipated to be significant based on the analysis of the Office of Court Administration and Comptroller of Public Accounts.

The bill would amend the Transportation Code to increase the civil penalty to not more than \$5,000, in addition to a criminal penalty, on a person who operates an automotive wrecking and salvage yard in violation of the chapter. A penalty collected would be deposited into the county or municipal treasury, as applicable.

The bill would require a recipient or former recipient of a limitation on appraised value under Chapter 313 of the Tax Code to contract with an independent certified public account to verify data certified to the Comptroller. According to the Comptroller and Workforce Commission, any costs associated with implementation of this provision could be absorbed within existing resources.

The bill would amend the Local Government Code by adding Section 140.012 regarding the authorization of certain political subdivisions and other public entities to spend money on lobbying activities. These provisions would only apply to: a political subdivision that imposes a tax or issues bonds; a special district that issues bonds; a regional mobility authority; a transit authority; a regional tollway authority; a special purpose district; a public institution of higher education; a community college district; a utility owned by the state or a political subdivision; or a river authority. The bill would require the political subdivision or entity (henceforward referred to entity) to vote on the expenditure of funds to influence legislation as a stand-alone item on the agenda. The entity would be required to report to the Texas Ethic Commission (Ethics Commission) and publish on the entity's website the amount of money authorized, the name of any person required to register as a lobbyist, and a copy of any contract for services. These provisions would require the entity to report to the Ethics Commission and publish the amount of public money spent for membership fees and dues to any nonprofit organization or association that directly or indirectly attempt to influence pending legislation. The Ethics Commission would be required to create and make available to the public a searchable database on Ethic's website the data from the above reports. Based on the information provided by the Ethics Commission, this analysis assumes that any costs associated with implementing this provision could be absorbed within existing resources.

The bill would amend Chapter 33 of the Tax Code, regarding property tax delinquency, to prohibit a chief appraiser from disqualifying an individual who is 65 years of age or older from the entitlement to receive a property tax deferral or abatement because the relevant property is no longer the individual's principal residence without first providing written notice. The notice would be required to include a form on which the individual may indicate that the property remains the individual's principal residence and a self-addressed postage prepaid envelope with instructions. The chief appraiser would be required to consider the individual's response on the form in determining whether the property remains the individual's principal residence. If chief appraiser does not receive a response on or before the 60th day after the date the notice is mailed, the chief appraiser may make a determination that the property is no longer the individual's principal residence on or after the 30th day after the expiration of the 60-day period, but only after making a reasonable effort to locate the individual and determine whether the property remains the individual's principal residence. An additional notice that includes certain specified language and

information sent by first class mail, return service requested, or notice in another manner determined by the chief appraiser, would constitute a reasonable effort. The bill's requirement that a chief appraiser must provide written notice and make a reasonable effort to locate an individual who is 65 years of age or older before disqualifying the individual from receiving a property tax deferral or abatement because the relevant property is no longer the individual's principal residence could create a cost to local taxing units and to the state through the school finance formulas because the payment of some taxes may be deferred that would otherwise not be. The number of individuals who might receive a tax deferral or abatement as a result of the provision is unknown but the cost is not anticipated to be significant.

The bill would amend the Government Code allowing Tarrant County to set the salary of a full-time magistrate to not exceed 90 percent of the sum of the salary of a district judge paid by the state and the maximum amount of county contributions and supplements allowed by law. The bill would also clarify the powers of Tarrant County criminal law magistrates.

The bill would amend the Government Code to exclude from the statutory maximum salary of a judge compensation for extrajudicial services performed by a district judge for a court located in a county with a population of 1.8 million or more that is adjacent to a county with a population of 2.2 million or more. Based on the analysis of the Office of Court Administration, duties and responsibilities associated with implementing the provisions could be accomplished using existing resources.

The bill would amend the Local Government Code to prohibit counties with a population equal to or more than 3.3 million from using various county revenue sources to fund the improvement or redevelopment of an obsolete sports facility if the improvement or redevelopment would cost \$10 million or more unless the funding is approved by voters of the county at an election held for that purpose. Defines obsolete sports facility. According to the Comptroller of Public Accounts, the provisions of the bill would have no fiscal impact on the state.

The bill would amend the Local Government Code to modify certain existing reporting requirements imposed on regional planning commissions. Specifies the information that must be reported on the expenditures of funds by these commissions. Clarifies that the reporting period is the fiscal year of the commission. Requires the report be delivered to members of the Legislature who represent a district located wholly or in part in the region of the commission as well as to each participating governmental unit in the region. Specifies that, in the event a receiver is appointed by the Governor due to a failure of the commission, no funds may be expended by the commission other those necessary to correct the failure. According to the Office of the Governor, the provisions are anticipated to have no fiscal implication to state government.

The bill would amend the Government Code, Water Code, and Local Government Code relating to the notice requirements for special purpose districts. The bill would require the annexation of land to a special purpose district to use the same notice required for establishing a special purpose district.

The bill would amend the Government Code allowing Bowie County to appoint bailiffs to serve the certain district courts of the county. The bill would require the sheriff of the county to deputize these appointments and would classify the bailiffs as peace officers for certain purposes of the Code of Criminal Procedure. The Office of Court Administration does not anticipate this provision of the bill creating a significant fiscal impact for the State or local government.

The bill would amend the Health and Safety Code by adding a chapter to establish a health care provider participation program for certain counties that have a population more than 75,000, are

not served by a hospital district or a public hospital, and borders or includes a portion of the Sam Rayburn Reservoir. The health care provider participation program would authorize a county to collect mandatory payments from nonpublic hospitals that provide inpatient hospital services. These payments would be deposited into a local provider participation fund to fund intergovernmental transfers and subsidize indigent care programs. Intergovernmental transfers would be used by the Health and Human Services Commission (HHSC) as the nonfederal share to draw down Medicaid supplemental payments including payments to the Medicaid managed care program that are dedicated for payment to hospitals. The bill specifies that if a state agency determines that a waiver from a federal agency is necessary, the agency shall request the waiver and delay implementation until such waiver is received. The nonfederal share of Texas Medicaid supplemental payments is provided largely by local public funds provided to HHSC by intergovernmental transfer. The bill's amendments do not contain any implications for state General Revenue funds. According to the Department of Health and Human Services, there would be no significant fiscal impact to the agency resulting from implementation of the bill. According to the Health and Human Services Commission, the agency has an oversight role in this process and would absorb any administrative costs within existing resources.

The bill would amend the Local Government Code to establish that a county judge in a meeting conducted by videoconference is the presiding officer of a commissioners court only when the county judge is located at the physical space made available to the public for the meeting. The Office of Court Administration indicates that no significant fiscal implication to the state is anticipated from this provision of the bill.

The bill would amend the Health and Safety Code to modify the composition and eligibility of certain emergency services commissions that serve multiple counties. Exempts certain counties from certain election requirements of emergency service commissions that serve multiple counties. Validates, ratifies, and confirms the acts and proceedings of certain emergency services districts.

The bill would amend the Health and Safety Code to authorize commissioner's courts to dissolve programs established by these courts.

The bill would amend the Health and Safety Code by requiring a local mental health authority at least once per year to consult with the sheriff or a representative of the sheriff regarding the use of funds received. The Commission on Law Enforcement, Department of State Health Services, and Health and Human Services Commission anticipate no fiscal impact from this provision of the bill to the State.

The bill would amend the Local Government Code to restrict an existing authorization for counties and municipalities to require property owners to remove graffiti. The limitation would limit this authorization to commercial property and explicitly prohibit this requirement for residential property.

Certain specified provisions in the bill would take effect September 1, 2017. For provisions not so specified, the bill would take effect with immediate effect if it receives a vote of two-thirds of both houses. For these provisions, if the bill does not receive the vote needed for immediate effect, it would take effect on September 1, 2017.

## **Methodology**

The provisions of the bill relating to the establishment of a database has fiscal implications for the Comptroller. This analysis estimates the costs of implementing the provisions of the bill assuming



that either the Legislature appropriates money specifically for that purpose or that the agency identifies available funds.

Based on the analysis of the Comptroller, there would be a General Revenue cost of \$262,000 in fiscal year 2018 and an ongoing cost of \$82,000 in each following year. This analysis includes a one-time technology cost of \$180,000 in fiscal year 2018 for the Comptroller to develop the Special Purpose District Public Information Database. The Comptroller also indicates there would be staff costs of \$82,000 for one program specialist IV to maintain and verify data submissions from districts. This estimate is based on the agency's current costs to review and post debt-related information submitted by political subdivisions.

The Office of the Attorney General indicates that their costs to implement provisions of the bill could be absorbed within existing resources.

The bill would provide for civil penalties of up to \$2,000 to a special purpose district which does not comply with provisions of the bill requiring the reporting of information to the Comptroller to operate and update the database. The frequency of which the penalties would be applied and collected is unknown and therefore, any potential revenue increase to the General Revenue Fund is indeterminate.

**Technology**

The provisions of the bill relating to the establishment of a database results in a one-time technology cost of \$180,000 in General Revenue funds in fiscal year 2018 to the Comptroller to develop the database. The cost reflects an estimated 1,200 hours of design, architecture, and coding, including the creation of mainframe tables, a security portal, an application to enter and update information, and an application to view and sort information for public use.

**Local Government Impact**

The provisions of the bill relating to the development of a database require the Comptroller to give notice and impose up to two penalties each of \$1,000 and authorizes the Office of the Attorney General to sue to collect penalties. This analysis assumes the imposition of state civil penalty could have a fiscal impact on special purpose districts for non-compliance.

Authorization of expunction orders is anticipated to have no significant impact to local courts. Local governments are anticipated to realize a decrease in revenues from reimbursing fees associated with the filing of a petition for expunction; however, a significant fiscal impact is not anticipated.

Based on the analysis of the Office of Court Administration and Comptroller of Public Accounts, duties and responsibilities associated with implementing the provisions of the bill relating to non-disclosure of criminal history record information would result in a decrease in revenue to local governments from reimbursing fees associated with the filing of a petition for expunction. This decrease is not anticipated to be significant.

From the provisions of the bill related to an increase in fines associated with operation of a salvage yard, there would be a positive fiscal impact to a local governmental entity that would vary depending on the number of violations, the amount of the penalty and the amounts collected.

According to the Texas Municipal League, the fiscal impact from the provisions of the bill related to lobbying activities is not anticipated to be significant to municipalities.

According to the Office of Court Administration, for the provisions of the bill adjusting judicial compensation in certain counties, amount of additional compensation allowed to be paid to district judges by counties would increase; however, the increase would be permissive. Therefore, any fiscal impact would be made voluntarily by counties. No significant fiscal impact is anticipated. According to Dallas County, no fiscal impact is anticipated.

According to Harris County, the provisions of the bill relating to the prohibition of certain stadia redevelopments would have a negative fiscal impact. The county indicated the bill would cost approximately \$4 million for a stand-alone election and \$2.5 million for a uniform election day election. Also according to the county, further fiscal effects of the bill would be contingent on voter approval in Harris County and these additional fiscal effects cannot be determined.

According to the Office of the Governor, the provisions of the bill related to regional planning commissions are anticipated to have no fiscal implication to local government.

According to Angelina County, the provisions of the bill relating to indigent care programs would have a minimal fiscal impact on the county. While certain administrative costs in the billing, collecting, accounting and disbursement of the funds would be incurred these are specifically allowed for reimbursement in the text of the bill. According to the Texas Association of Counties, the fiscal impact from the provisions of the bill relating to videoconferencing by county judges and authorization of program dissolution would not be significant. The Office of Court Administration indicates that no significant fiscal implication to local courts is anticipated.

Because the provisions of the bill relating to certain emergency service commissions would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

For the provisions of the bill relating to consultation of local mental health authorities and sheriffs, according to the Texas Association of Counties, no significant fiscal impact is anticipated. According to the Health and Human Services Commission, local governments may experience a fiscal impact due to an increased diversion effort from the criminal justice system. Due to variation across communities the number of diversions and fiscal impact cannot be determined at this time.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 529 Health and Human Services Commission, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

**LBB Staff:** UP, JGA, GP, GG, LCO, WP, NV, JSm

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 16, 2017**

**TO:** Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4180** by Coleman (Relating to issues affecting counties and certain other governmental entities and residents.), **As Engrossed**

|   |
|---|
| <b>No significant fiscal implication to the State is anticipated.</b> |
|---|

The bill would amend the Health and Safety Code by adding a chapter to establish a health care provider participation program for certain counties that have a population more than 75,000, are not served by a hospital district or a public hospital, and borders or includes a portion of the Sam Rayburn Reservoir. The health care provider participation program would authorize a county to collect mandatory payments from nonpublic hospitals that provide inpatient hospital services. These payments would be deposited into a local provider participation fund to fund intergovernmental transfers and subsidize indigent care programs. Intergovernmental transfers would be used by the Health and Human Services Commission (HHSC) as the nonfederal share to draw down Medicaid supplemental payments including payments to the Medicaid managed care program that are dedicated for payment to hospitals. The bill specifies that if a state agency determines that a waiver from a federal agency is necessary, the agency shall request the waiver and delay implementation until such waiver is received.

The nonfederal share of Texas Medicaid supplemental payments is provided largely by local public funds provided to HHSC by intergovernmental transfer. The bill's amendments do not contain any implications for state General Revenue funds. According to the Department of Health and Human Services, there would be no significant fiscal impact to the agency resulting from implementation of the bill.

According to the Health and Human Services Commission, the agency has an oversight role in this process and would absorb any administrative costs within existing resources.

The bill would amend the Local Government Code to establish that a county judge in a meeting conducted by videoconference is the presiding officer of a commissioners court only when the county judge is located at the physical space made available to the public for the meeting.

The Office of Court Administration indicates that no significant fiscal implication to the state is anticipated from the bill.

The bill would amend the Health and Safety Code to modify the composition and eligibility of certain emergency services commissions that serve multiple counties. Exempts certain counties from certain election requirements of emergency service commissions that serve multiple counties. Validates, ratifies, and confirms the acts and proceedings of certain emergency services

districts.

The bill would amend the Health and Safety Code to authorize commissioner's courts to dissolve programs established by these courts.

The bill would take effect immediately if it receives a vote of two-thirds of all each house. If the bill does not receive the vote necessary for immediate effect it would take effect September 1, 2017.

### **Local Government Impact**

According to Angelina County, the provisions of the bill relating to indigent care programs would have a minimal fiscal impact on the county. While certain administrative costs in the billing, collecting, accounting and disbursement of the funds would be incurred these are specifically allowed for reimbursement in the text of the bill.

According to the Texas Association of Counties, the fiscal impact from the provisions of the bill relating to videoconferencing by county judges and authorization of program dissolution would not be significant. The Office of Court Administration indicates that no significant fiscal implication to local courts is anticipated.

Because the provisions of the bill relating to certain emergency service commissions would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 529 Health and Human Services Commission

**LBB Staff:** UP, JGA, GP, GG



## LEGISLATIVE BUDGET BOARD

Austin, Texas

### FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 25, 2017

**TO:** Honorable Garnet Coleman, Chair, House Committee on County Affairs

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4180** by Coleman ( Relating to issues affecting counties and certain other governmental entities and residents.), **Committee Report 1st House, Substituted**

|   |
|---|
| <b>No significant fiscal implication to the State is anticipated.</b> |
|---|

The bill would amend the Health and Safety Code by adding a chapter to establish a health care provider participation program for certain counties that have a population more than 75,000, are not served by a hospital district or a public hospital, and borders or includes a portion of the Sam Rayburn Reservoir. The health care provider participation program would authorize a county to collect mandatory payments from nonpublic hospitals that provide inpatient hospital services. These payments would be deposited into a local provider participation fund to fund intergovernmental transfers and subsidize indigent care programs. Intergovernmental transfers would be used by the Health and Human Services Commission (HHSC) as the nonfederal share to draw down Medicaid supplemental payments including payments to the Medicaid managed care program that are dedicated for payment to hospitals. The bill specifies that if a state agency determines that a waiver from a federal agency is necessary, the agency shall request the waiver and delay implementation until such waiver is received.

The nonfederal share of Texas Medicaid supplemental payments is provided largely by local public funds provided to HHSC by intergovernmental transfer. The bill's amendments do not contain any implications for state General Revenue funds. According to the Department of Health and Human Services, there would be no significant fiscal impact to the agency resulting from implementation of the bill.

According to the Health and Human Services Commission, the agency has an oversight role in this process and would absorb any administrative costs within existing resources.

The bill would amend the Local Government Code to establish that a county judge in a meeting conducted by videoconference is the presiding officer of a commissioners court only when the county judge is located at the physical space made available to the public for the meeting.

The Office of Court Administration indicates that no significant fiscal implication to the state is anticipated from the bill.

The bill would amend the Health and Safety Code to modify the composition and eligibility of certain emergency services commissions that serve multiple counties. Exempts certain counties from certain election requirements of emergency service commissions that serve multiple counties. Validates, ratifies, and confirms the acts and proceedings of certain emergency services

districts.

The bill would take effect immediately if it receives a vote of two-thirds of all each house. If the bill does not receive the vote necessary for immediate effect it would take effect September 1, 2017.

### **Local Government Impact**

According to Angelina County, the provisions of the bill relating to indigent care programs would have a minimal fiscal impact on the county. While certain administrative costs in the billing, collecting, accounting and disbursement of the funds would be incurred these are specifically allowed for reimbursement in the text of the bill.

According to the Texas Association of Counties, the fiscal impact from the provisions of the bill relating to videoconferencing by county judges would not be significant. The Office of Court Administration indicates that no significant fiscal implication to local courts is anticipated.

Because the provisions of the bill relating to certain emergency service commissions would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 529 Health and Human Services Commission

**LBB Staff:** UP, GP, JGA, GG

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 9, 2017**

**TO:** Honorable Garnet Coleman, Chair, House Committee on County Affairs

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB4180** by Coleman (Relating to issues affecting counties and other governmental entities.), **As Introduced**

|   |
|---|
| <b>No significant fiscal implication to the State is anticipated.</b> |
|---|

The bill would amend the Code of Criminal Procedure, Election Code, Health and Safety Code, Local Government Code, Property Code, and Transportation Code. This provisions of the bill that are ths subject of this analysis are the sections of the bill that could have a fiscal impact.

The bill would allow an application for ballot voted by mail to be submitted electronically.

The bill would allow a commissioners court to authorize a county employee to issue a citation to subdivider who has more than one single-family detached dwelling on a single lot. Each citation may not exceed a total penalty of \$10,000. Each day a violation continues or occurs may be considered a separate violation for purposes of imposing a penalty.

The bill would allow a commissioners court of a county to adopt a fire code and rules necessary to administer and enforce the code.

The bill would allow a county to lease out space on personal property or in or on a building owned by the county or if leased by the county with the owners consent for advertising.

The bill would allow a sheriff or deputy sheriff of a county bordering the United Mexican States with a population of 700,000 to be eligible to apply for certification to enforce commercial motor vehicle safety standards.

The bill would establish a task force to study population growth in Texas. The task force would have nine members. The governor, lieutenant governor, and speaker of the house each appoint three members that are state or local officials. The task force is entitled for reimbursement of travel expenses incurred while conducting business of the task force. The task force would submit its report no later than December 1, 2019.

According to Secretary of State, Office of the Governor, and Office of Court Administration, no significant fiscal impact is anticipated.

The bill would take effect September 1, 2017.

## **Local Government Impact**

The fiscal implications of the bill cannot be determined at this time

**Source Agencies:** 212 Office of Court Administration, Texas Judicial Council, 300 Trusteed Programs Within the Office of the Governor, 307 Secretary of State

**LBB Staff:** UP, JGA, GG, BM, ASa