

BUDGET BILLS THAT PASSED 86TH Texas Legislative Session

HB 1 by John Zerwas (R-Fulshear) and Jane Nelson (R-Flower Mound) is the general **appropriations** bill. It provides:

- \$250.652 billion in all funds;
- \$118.859 billion in general revenue funds;
- \$6.19 billion in general revenue dedicated funds;
- \$86.439 billion in federal funds; and
- \$39.165 in other funds

All Funds Comparison to Previous Sessions:

- \$250.652 billion for the 2020-2021 biennium, compares to:
- \$216.758 billion in the 2018-2019 biennium;
- \$216.399 in the 2016-2017 biennium and
- \$196.9 billion in the 2014-2015 biennium.

Budget Highlights:

Article I, General Government:

- \$10 million to provide grants to Cultural Arts Districts across the state;
- \$1.9 million to expand the Elections Fraud Unit at the Office of the Attorney General;
- \$3.5 million to expand the Human Trafficking Section at the Office of the Attorney General to handle additional prosecutions;
- \$7.7 million increase in funding for rape crisis centers to expand capacity to every area of the state and handle caseload growth;
- \$1 million to expand access to Sexual Assault Nurse Examiners in underserved areas (SB 71);
- \$300 million to maintain the grant pool for Cancer Prevention and Research Institute of Texas grants;
- \$14.7 million to replace outdated 9-1-1 equipment;
- \$6 million to fund grants for Sexual Assault Forensic Exam ready facilities to help deliver specialty care to victims;
- \$2.9 million to provide additional staff for multiple state historic sites;
- \$7.2 million to provide for multi-factor risk authentication functionality at high-risk agencies;
- \$7.3 million for a new licensing operations system at the Texas Alcoholic Beverage Commission to improve service and security for licensees;
- \$5.3 million for anti-human trafficking related efforts at establishments licensed by the Texas Alcoholic Beverage Commission; and
- \$1.9 million to provide additional claims representation and counseling services at the Texas Veterans Commission.

Article II, Health and Human Services:

- \$346.9 million for women's health services;
- an additional \$59 million to increase outpatient community mental health treatment capacity;
- an increase of \$26 million for an additional 50 community inpatient psychiatric beds;
- \$341.6 million for the Early Childhood Intervention program;
- \$20 million in additional resources to children's advocacy centers to address increasing demand for services;

- an additional \$5.5 million to provide enhanced services to victims of family violence;
- over \$100 million for rural hospitals to increase inpatient rates, including \$16 million to provide a targeted add-on payment for labor and delivery services;
- \$208.8 million to address critical deferred maintenance needs at our state hospitals and state supported living centers;
- \$220.7 million to provide long-term care rate increases, including those to address attendant wages;
- \$64.3 million to expand Community Based Care into two new regions and transition three regions into Stage 2;
- \$12 million to provide targeted provider rate increases to build additional capacity to serve foster children;
- additional caseworkers to lower caseloads at Child Protective Services; and
- \$7 million to the Department of State Health Services to address maternal mortality and morbidity.

Article III, Public Education:

- \$2.4 billion to fund enrollment growth for public education, based on an estimated 65,000 additional students per year;
- a \$9 billion overall increase for public education and tax relief to conform with the final decisions on HB 3 and SB 2
- \$8 million, an increase of \$3 million, for Pathways in Technology Early College High School;
- \$60 million, a \$30M million increase, to Communities in Schools;
- \$5 million for the continued funding of Amachi; and
- \$230 million to maintain current health insurance premiums and benefits for our retired teachers through TRS-Care.

Article III, Higher Education:

- An additional \$80 million for TEXAS Grant to support 70 percent of all eligible students;
- \$157 million, an increase of \$60M, to address health care workforce shortages, specifically to maintain the state's 1.1 to 1 ratio of graduate medical education slots in relation to the number of medical school graduates;
- An increase of \$100 million for the Texas Mental Health Care Consortium;
- a \$200 million increase to the general academic formulas including research funding;
- Increased funding by \$72 million for community colleges;
- a \$45 million increase in funding to the Texas State Technical College formula; and
- \$160 million to increase funding for our health related institutions, including \$13.4 million for UT Southwestern's new mission-specific formula.

Article IV, the Judiciary:

- An additional \$3 million to support basic civil legal services for veterans and their families;
- \$10 million in funding to provide basic civil legal services to victims of sexual assault;

- \$29.6 million to implement a uniform case management system to provide magistrate judges immediate access to critical information and to speed the timely reporting of court records for federal background checks;
- \$350,000 to support a statewide protective order registry to better protect victims of assault and violence;
- \$3.6 million to create nine new child protection courts, increasing capacity for child protective service cases in high-needs areas;
- \$5 million for a pilot project to identify and provide special representation for indigent defendants with mental illness;
- An additional \$5 million to in grants to counties to support indigent defense costs;
- \$4.8 million to fully implement a statewide Guardianship Compliance Project; and
- A new attorney at the Special Prosecution Unit to focus on juvenile sexual assault cases

Article V, Public Safety:

- \$84 million to retain correctional and parole officers at the Department of Criminal Justice;
- \$5.3 million for education and vocational pilot programs for offenders at the Department of Criminal Justice;
- \$25 million for armory maintenance at the Military Department;
- An additional sexual assault coordinator position at the Military Department;
- \$52 million to expand capacity at state crime labs and prioritize the testing of sexual assault kits;
- \$210 million to address wait times and improve driver license operations, including 762 new staff to fill vacant counters and a new facility in Denton; and
- \$1 million to fund a safe gun storage campaign administered by the Department of Public Safety.

Article VI, Natural Resources:

- 100-percent appropriation of the sporting goods sales tax to the Texas Parks and Wildlife Department including \$12.5 million for the development of Palo Pinto State Park, \$6 million for interoperable radios and law enforcement equipment for game wardens and disaster response teams, and \$99.3 million for deferred maintenance of facilities and wildlife fish hatcheries;
- \$28.1 million to improve technology at the Railroad Commission, including 22 additional oil and gas and pipeline safety inspectors, and \$39.1 million for oil and gas well-plugging;
- \$1.2 billion, an increase of \$75.3 million in All Funds, for food and nutrition programs at the Texas Department of Agriculture, including: the Surplus Food Program, home-delivered meals for at-risk adults and children, School Lunch Program, School Breakfast Program, and After School Care Program;
- \$2.6 million to create a new Skimmer Fraud Unit at the Texas Department of Agriculture for the implementation of a detection, investigation, and enforcement program that will crack down on fuel pump credit card skimmers;

- \$45 million to maintain the state's investment in air quality monitoring systems at the Texas Commission on Environmental Quality; and
- \$1.5 million and 10 FTEs for a dedicated team full-time disaster response staff at the General Land Office.

Article VII, Economic Development:

- More than \$31 billion to address the state's transportation needs, including \$3.2 billion under Proposition 1 and the full \$5 billion transfer to the State Highway Fund under Proposition 7;
- \$1 million and 9 new FTEs at the Department of Motor Vehicles to continue customer service capability improvements; and
- A rider to maximize adult literacy performance in Texas and initiate a review of the Adult Literacy Program at the Texas Workforce Commission.

Article VIII, Regulatory:

- \$1 million and 8 FTEs for a dedicated Anti-human Trafficking Unit at the Texas Department of Licensing and Regulation;
- \$690,000 to improve operational, investigative, and customer service capabilities at the Texas Medical Board; and
- \$332,000 to increase utility security oversight at the Public Utility Commission.

(Summary is from Senator Jane Nelson, Chair of the Senate Finance Committee.)

Status: *Sent to the governor.*

HB 440 by Jim Murphy (R-Houston) and Eddie Lucio, Jr. (D-Brownsville) requires political subdivisions to spend the proceeds of **local general obligation bonds** only for the specific purpose for which the bonds were authorized, or to retire the bonds, unless the authorized purposes were accomplished or abandoned and the voters approve the new purpose (for political subdivisions other than school districts) or approved by the school district's board of trustees in a separate vote in a public meeting (for school districts). A sample ballot for a local general obligation bond election must be posted on a taxing unit's website at least 21 days before the election. It prohibits a taxing unit from issuing general obligation bonds to purchase, improve, or construct improvements or to purchase personal property if the weighted average maturity of the bonds exceeds 120 percent of the reasonably expected weighted average economic life of the improvements and personal property financed with the issue of bonds.

Status: *Sent to the governor.*

HB 477 by Jim Murphy (R-Houston) and Paul Bettencourt (R-Houston) requires ballot language for **issuance of local debt obligations** to include:

- a general description of the purpose for which the debt obligations are to be authorized;
- the total principal amount of the debt obligations to be authorized; and
- that taxes sufficient to pay the principal of and interest on the debt obligations will be imposed.

It requires political subdivisions with at least 250 registered voters to prepare a **voter information document** for each proposition to be voted on and to post that document in the same manner as a debt obligation election order. The document must include:

- the ballot language;
- the principal of the debt obligations to be authorized;
- the estimated interest for the debt obligations to be authorized;
- the estimated combined principal and interest required to pay on time and in full the debt obligations to be authorized;
- the principal of all outstanding debt obligations of the political subdivision;
- the estimated remaining interest on all outstanding debt obligations of the political subdivision;
- the estimated combined principal and interest required to pay on time and in full all outstanding debt obligations of the political subdivision;
- the estimated maximum annual increase in the amount of taxes that would be imposed on a residence homestead in the political subdivision with an appraised value of \$100,000 to repay the debt obligations to be authorized; and
- any other information that the political subdivision considers relevant or necessary to explain the information required.

Status: *Sent to the governor.*

HB 2706 by Giovanni Capriglione (R-Keller) and Jane Nelson (R-Flower Mound) updates statutes regarding **authorized investments for governmental entities**. It allows an investment in commercial paper if the commercial paper has a started maturity of 365 (instead of 270) days or fewer from the date of issuance. An investment officer of a local government may invest bond proceeds or pledged revenue only in accordance with statutory provisions governing the debt issuance or the agreement and the local government's investment policy regarding debt issuance. It requires the Texas Education Agency to conduct a study (and report to the legislature by June 1, 2020) regarding the **investment and management of funds by school districts and charters**. It requires school districts and charters to provide information regarding:

- the district's or school's investments, including asset allocations, fees, and risks; and
- the district's or school's cash flow, fund balances, and other revenue sources.

Status: *Sent to the governor.*

HB 3001 by Geanie Morrison (R-Victoria) and Brian Birdwell (R-Granbury) requires the comptroller's database on state agency and **special purpose districts** to include financial information. The information can have a link to the district's website or a clear statement describing the location of the separately posted information instead of reproducing the information in the database.

Status: *Sent to the governor.*

HB 3317 by John Zerwas (R-Fulshear) and Jane Nelson (R-Flower Mound) dedicates and rededicates revenue for use in **certifying the budget**.

Status: *Sent to the governor.*

HB 3598 by Trey Martinez Fischer (D-San Antonio) and Judith Zaffirini (D-Laredo) provides that personal property is presumed abandoned if, for longer than three years, the location of the owner of the property (instead of the

existence and location of the owner) is unknown to the holder of the property. It clarifies the reporting and records retention requirements for holders of **unclaimed property**. The comptroller is authorized to advertise or otherwise promote the unclaimed property program in any available media to provide effective and efficient notice to reported owners. The attorney general is required to assist the comptroller in enforcing statutory provisions relating to unclaimed property at the comptroller's request.

Status: *Sent to the governor.*

SB 30 by Brian Birdwell (R-Granbury) and Dade Phelan (R-Nederland) prescribes **ballot language** for a proposition seeking voter approval for the **issuance of bonds**.

School District Bonds - It requires school district bonds for the following purposes to be stated in a separate proposition:

1. the construction, acquisition, or equipment of a stadium with seating capacity for more than 1,000 spectators;
2. the construction, acquisition or equipment of a natatorium;
3. the construction, acquisition, or equipment of another recreational facility other than a gymnasium, playground, or play area;
4. the construction, acquisition, or equipment of a performing arts center;
5. the construction, acquisition, or equipment of housing for teachers as determined by the district to be necessary to have a sufficient number of teachers for the district; and
6. an acquisition or update of technology equipment, other than equipment used for school security purposes or technology infrastructure integral to the construction of a facility.

Each separate ballot proposition must state the principal amount of the bonds to be issued that constitutes the cost for construction of that portion of the building or complex attributable to the building or to the traditional classroom facilities.

Bonds For Political Subdivisions – Political subdivisions means a municipality, county, school district and special taxing district. It requires the ballot for a measure seeking voter approval of the issuance of debt obligations by a political subdivision to specifically state:

- a plain language description of the single specific purposes for which the debt obligations are to be authorized;
- the total principal amount of the debt obligations to be authorized; and
- that taxes sufficient to pay the principal of the interest on the debt obligations will be imposed.

It requires each single specific purpose for which debt obligations requiring voter approval are to be issued must be printed on the ballot as a separate proposition.

Status: *Signed by the governor on June 7, 2019 and takes effect on September 1, 2019.*

SB 68 by Jane Nelson (R-Flower Mound) and Matt Schaefer (R-Tyler) requires the Legislative Budget Board to perform a **strategic fiscal review** for each state agency concurrently with Sunset Advisory Commission review of the agency.

The report must contain:

- a description of the discrete activities the state agency is charged with performing and a justification for each activity by reference to a legal authority, an evaluation of the effectiveness and efficiency of the state

agency's policies, management, fiscal affairs, and operations in relation to each activity;

- for each activity identified, a quantitative estimate of any adverse effects that reasonably may be expected to result if the activity were discontinued, together with a description of the methods by which the adverse effects were estimated, and other analyses related to quantity and quality of service;
- a ranking of the relative importance of the activities; and
- recommendations to the legislature regarding whether funding of each activity should continue and, if so, at what level.

Status: *Signed by the governor on June 7, 2019 and took immediate effect.*

SB 69 by Jane Nelson (R-Flower Mound) and Giovanni Capriglione (R-Keller) eliminates the legislative committee that determines the **sufficient balance** for the **Economic Stabilization Fund** (ESF) and requires the comptroller to calculate the sufficient balance as 7 percent of the most recent general revenue-related biennial revenue estimate. It extends the Highway Fund split through 2034 (instead of 2024). It allows the comptroller to invest the ESF in an investment portfolio with at least 25 percent of the ESF balance be invested in a manner that ensures its liquidity.

Status: *Sent to the governor.*

SB 241 by Jane Nelson (R-Flower Mound) and Oscar Longoria (D-Mission) revises the deadlines, contents, recipients, and **streamlines state agency reports**. It implements recommendations by the Texas State Library and Archives Commission evaluating the usefulness of reports submitted by a state agency to other agencies.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

SB 401 by Kelly Hancock (R-North Richland Hills) and John Cyrier (R-Lockhart) established the **Joint Oversight Committee on Government Facilities** to review deferred maintenance plans and receive implementation updates. The committee is composed of three members of the Senate appointed by the Lt. governor and three members of the House appointed by the speaker. The committee is required to provide a written report to the legislature that identifies:

1. the amount of money expended for deferred maintenance;
2. planned deferred maintenance projects; and
3. the status of ongoing and completed deferred maintenance projects.

Status: *Signed by the governor on June 4, 2019 and took immediate effect.*

SB 500 by Jane Nelson (R-Flower Mound) and John Zerwas (R-Fulshear) is the **supplemental appropriations** bill. Specifics include:

General Revenue Decreases of \$1.031 billion in 2019:

- Texas Education Agency (TEA) – Foundation School Fund - \$903.3 million
- General Land Office (GLO) – Rebuild Housing - \$48.6 million
- Texas Public Finance Authority – Debt Service - \$35.079 million
- Texas Facilities Commission – Lease Payments - \$22.598 million
- Office of the Attorney General – Child Support Enforcement - \$21.8 million

General Revenue Appropriations Increases of 2.717 billion in 2019:

- Health & Human Services Commission (HHSC) – Medicaid Shortfall - \$2 billion
- TEA – Financial Support for IDEA - \$219.6 million
- Texas Department of Criminal Justice (TDCJ) – Correctional Managed Care - \$190 million
- Department of Family & Protective Services – Foster Care – \$88.586 million
- HHSC – Children’s Hospital Rate Increase - \$50 million
- HHSC – Mental Health State Hospital Services - \$31.7 million
- TDCJ – Officer Overtime - \$30 million
- Texas State Technical College – Abatement and Demolition Waco Campus - \$29.645 million
- Department of Family & Protective Services – Purchased Client Services - \$21.252 million
- HHSC – Healthy Texas Women - \$10.3 million
- HHSC – State Supported Living Centers - \$10.1 million
- Department of State Health Services – X Linked Adrenoleukodystrophy - \$7.9 million
- Department of Family and Protective Services – Relative Caregiver - \$6.834 million
- Board of Pharmacy – Prescription Monitoring Program Database - \$6.1 million
- Department of Public Safety – Crime Labs - \$5.8 million
- Library & Archives Commission – Facility Renovation - \$4.4 million
- HHSC – Early Childhood Interventions - \$1.5 million
- Texas Commission on Environmental Quality – Litigation - \$1.4 million
- Kilgore College – Group Insurance - \$1.24 million
- Comptroller Judiciary Section – Longevity Pay - \$523,295
- Comptroller Judiciary Section – Visiting Judges - \$400,000
- TEA – Adult High School Diploma and Industry Certification Charter School Pilot Program - \$37,657

Federal Fund Appropriations Decreases of \$8.48 million in 2019:

- Department of Family & Protective Services – Relative Caregiver - \$8.48 million

Federal Fund Appropriations Increases of \$2.155 billion in 2019:

- HHSC – Medicaid Shortfall - \$1.25 billion
- Department of Family & Protective Services – Daycare - \$5 million

Economic Stabilization Fund Appropriations Decreases of \$2 million in 2019:

- HHSC – State Hospital Construction - \$2 million

Economic Stabilization Fund Appropriations Increases of \$4.97 in 2019:

- Texas Water Development Board (WDB) – State Flood Plan Infrastructure projects - \$793 million
- Teacher Retirement System – State Contribution Additional Payment - \$589 million
- TEA – FSP Harvey Costs - \$535.2 million
- HHSC – State Hospital Construction - \$445.4 million

- WDB – Matching Funds for FEMA Public Assistance Grants - \$365 million
- WDB – Matching Funds for FEMA Hazard Mitigation Grants - \$273 million
- TEA – Post-Harvey Reimbursements to ISD's - \$271.3 million
- Comptroller – Texas Tomorrow Fund - \$211 million
- GLO – Matching Funds, Army Corp of Engineers Programs - \$200 million
- Soil and Water Conservation Board – Dam Infrastructure Projects - \$150 million
- Texas Department of Transportation (TxDOT) – Transportation Infrastructure Grants - \$125 million
- HHSC – Harvey Costs - \$110 million
- Governor's Office – Disaster Grants - \$00 million
- Governor's Office – Border Surge Operations - \$100 million
- TEA – School Hardening - \$100 million
- Department of Public Safety (DPS) – Harvey Costs - \$96.95 million
- Texas A&M Forest Service – Wildfires - \$54.91 million
- TDCJ – Repair & Rehabilitation of Facilities - \$54 million
- WDB – State Flood Risk Maps - \$47 million
- TDCJ – Harvey Costs - \$38.6 million
- Texas Parks & Wildlife Department – Battleship Texas - \$35.5 million
- TDCJ – Surveillance Cameras - \$26 million
- GLO – Harvey Costs - \$25.74 million
- Texas Historical Commission – Courthouse Grants - \$25 million
- TDCJ – Corrections Information Technology System - \$24.2 million
- University of Houston – Harvey Costs - \$20.3 million
- Department of State Health Services – Trauma Capacity Grants - \$17 million
- Texas Southern University – Thermal Plant & Steam Tunnel Maintenance - \$16 million
- Lone Star College – Harvey Costs - \$13.1 million
- Department of State Health Services – Emergency Generator - \$12 million
- TEA – Post Disaster Recovery - \$10.93 million
- University of Texas at Austin Marine Science Institute – Harvey Costs - \$10.2 million
- Texas Workforce Commission – Harvey Costs - \$8.9 million
- Texas Parks & Wildlife Department – Harvey Costs - \$8 million
- Juvenile Justice Department – Surveillance Cameras - \$7.55 million
- Lamar State College Port Arthur – Harvey Costs - \$6.3 million
- DPS – Helicopter Replacement - \$6.3 million
- Texas Parks & Wildlife Department – Interoperable Radios - \$5 million
- Texas Parks & Wildlife Department – Wyler Aerial Tramway Repair - \$5 million
- TxDOT – Edinburg Airport - \$5 million
- University of Houston Downtown – Harvey Costs - \$4 million
- Texas Department of Housing and Community Affairs – Affordable Rental Housing - \$4 million
- Texas Historical Commission – Deferred Maintenance - \$2.89 million
- Texas A&M Forest Service – Harvey Costs - \$2.46 million
- Texas Historical Commission – Nimitz Museum - \$2.15 million

- Texas Historical Commission – Levi Jordan Plantation - \$2 million
- University of Houston Victoria – Harvey Costs - \$1.7 million
- Lamar University – Harvey Costs - \$1.4 million
- Lamar Institute of Technology – Harvey Costs - \$1.3 million
- Lamar State College Orange – Harvey Costs – \$406,112
- University of Houston Clear Lake – Harvey Costs - \$83,668

Economic Stabilization Fund Appropriations Increases in 2020-2021 Biennium:

- TEA – FSP Harvey Costs – \$636 million
- Teacher Retirement System – State Contribution – \$524 million

General Revenue Dedicated Account Appropriation Increases of \$2 million in 2019:

- GLO – Abandoned Vessel Removal - \$2 million

Status: *Signed by the governor on June 6, 2019 and took immediate effect (with a few exceptions).*

SB 962 by Robert Nichols (R-Jacksonville) and John Zerwas (R-Fulshear) extends the current split to the **Economic Stabilization Fund** and the Highway Fund shares of the annual oil and gas production tax transfers from general revenue through 2034 (instead of 2024).

Status: *Sent to the governor.*

**ECONOMIC DEVELOPMENT BILLS THAT PASSED
86TH Texas Legislative Session**

HB 81 by Terry Canales (D-Edinburg) and Juan “Chuy” Hinojosa (D-McAllen) makes **public funds** expended by a governmental body for a parade, concert, or other entertainment event subject to disclosure under the **open records** laws.

Status: *It was signed by the governor on May 17, 2019 and took immediate effect.*

HB 303 by Dennis Paul (R-Webster) and Larry Taylor (R-Friendswood) adds municipalities with a population of two million or more (Houston) to the list of entities eligible to authorize the creation of a **spaceport development corporation**.

Status: *Signed by the governor on May 23, 2019 and took immediate effect.*

HB 2402 by Charlie Geren (R-Fort Worth) and Pat Fallon (R-Prosper) adds the following events to eligibility to receive funding through the **Major Events Reimbursement Program**:

- A championship event in the National Reined Cow Horse Association (NRCHA) Championship Series;
- A CONVRG conference;
- A Bit 12 Football Conference Championship game;
- Encore Live; and
- A World Wrestling Entertainment WrestleMania event.

Status: *Sent to the governor.*

HB 3143 by Jim Murphy (R-Houston) and Royce West extends the **Property Redevelopment and Tax Abatement Act** (Chapter 312) until September 1, 2029 (instead of 2019); and institutes additional transparency requirements including:

- requiring a public hearing by a taxing unit before it adopts or changes guidelines and criteria;
- requiring the chief appraiser to report to the comptroller on the appraised value of property that was the subject of the abatement for each of the first three tax years following the expiration of the abatement; and
- requiring notice of an abatement hearing to be posted 30 days before the meeting and to include the name of the property owner and the applicant, the name and location of the reinvestment zone in which the property is located, a general description of the nature of the improvements or repairs included in the agreement, and the estimated cost of the improvements or repairs.

Status: *Sent to the governor.*

SB 450 by Beverly Powell (R-Burleson) and Will Metcalf (R-Conroe) changes the due date for the **annual reports** to the comptroller for Type **4-A and 4-B economic development corporations** from February 1 to April 1.

Status: *Signed by the governor on April 25, 2019 and takes effect on September 1, 2019.*

SB 726 by Judith Zaffirini (D-Laredo) and Stan Lambert (R-Abilene) limits a **bank's investments to promote community development** to a maximum of 25 percent of the bank's unimpaired capital and surplus without prior authorization of the banking commissioner.

Status: *Signed by the governor on April 25, 2019 and takes effect on September 1, 2019.*

SB 743 by Bob Hall (R-Canton) and Brad Buckley (R-Killeen) establishes the **Texas Olive Oil Industry Advisory Board** to develop recommendations to the Commissioner of Agriculture to promote and expand the olive and olive oil industry in Texas.

Status: *Signed by the governor on April 25, 2019 and took immediate effect.*

SB 1443 by Donna Campbell (R-New Braunfels) and Dan Flynn (R-Van) extends the **Texas Military Preparedness Commission** to 2023 (instead of 2021) and allows it to establish criteria for awarding Defense Economic Adjustment Assistance Grant funds.

Status: *Signed by the governor on May 20, 2019 and takes effect on September 1, 2019.*

SB 2131 by Beverly Powell (D-Burleson) and Philip Cortez (D-San Antonio) allows military communities that are awarded a loan of financial assistance from the **Texas Military Value Revolving Loan Program** for an eligible project to use a portion of the loan proceeds to pay off other debt, including commercial debt, that the defense community incurred for purposes of financing the project. It also allows members of the Texas Military Preparedness Commission to meet via

telecommunication or other electronic means to consider a military revolving loan fund application.

Status: *Signed by the governor on May 28, 2019 and takes effect on September 1, 2019.*

TAX BILLS THAT PASSED THE 86TH LEGISLATIVE SESSION

TAX – AD VALOREM:

HB 380 by Charlie Geren (R-Fort Worth) and Kelly Hancock (R-North Richland Hills) allows a property owner to **appeal an Appraisal Review Board order** to district court if the ARB lacks jurisdiction to make a final determination; and allows each party to the appeal to waive remand of the action to the ARB and elect the court to determine the appeal on the merits.

Status: *It was signed by the governor on May 24, 2019 and takes effect on September 1, 2019.*

HB 492 and HJR 34 by Hugh Shine (R-Belton) and Paul Bettencourt (R-Houston) proposes a constitutional amendment authorizing the legislature to provide for a temporary property tax exemption that a political subdivision can adopt of a portion of appraised value of **property damaged in a disaster**.

Status: *HB 492 has been sent to the governor, but even if it is signed by the governor, it will be contingent on the passage of HJR 34. HJR 34 will be submitted to the voters on November 5, 2019.*

HB 639 by Drew Springer (R-Muenster) and Robert Nichols (R-Jacksonville) restricts the eligibility of property used by an institution of higher education for **ecological research** to be **appraised as “open space”** to land that has been used primarily for that purpose by the institution for five of the preceding seven years.

Status: *It was signed by the governor on June 2, 2019 and takes effect on January 1, 2021.*

HB 861 by Rafael Anchia (D-Dallas) and Donna Campbell (R-New Braunfels) clarifies that a property owner is liable for **penalties and interest on a supplemental tax bill** after final determination of an appeal only if the additional tax is not paid by the delinquency date for the additional tax.

Status: *It was signed by the governor on May 28, 2019 and takes effect on September 1, 2019.*

HB 1060 by Cecil Bell, Jr. (R-Magnolia) and Lois Kolkhorst (R-Brenham) requires the appraisal review board (ARB) to deliver **notice of an ARB hearing** by certified mail if requested by the property owner or by electronic mail if requested by the property owner in the notice of protest.

Status: *It has been sent to the governor.*

HB 1254 by Jim Murphy (R-Houston) and Kelly Hancock (R-North Richland Hills) repeals Section 23.42 (a-1) of the Tax Code, which prohibits **land secured by a home equity loan** to be designated for **agricultural use** for ad valorem tax purposes.

Status: *Signed by the governor on May 7, 2019 and takes effect on January 1, 2020.*

HB 1313 by Phil King (R-Weatherford) and Brian Birdwell (R-Granbury) raises the standard for a chief appraiser to increase the value on a **property** that was the subject of a **successful appeal in the previous year** to “clear and convincing” evidence, instead of “substantial” evidence standard. It prohibits an appraisal district or appraisal review board from charging a fee for filing a protest. And, it allows the surviving spouse of a disabled person receive the school district tax freeze on their homestead.

Status: *Sent to the governor.*

HB 1409 by Trent Ashby (R-Lufkin) and Robert Nichols (R-Jacksonville) clarifies that land is eligible for **timber productivity valuation** if it is associated with the production of timber or forest products, including use as a road, right-of-way, buffer area, or firebreak, or a right-of-way that was taken through exercise of eminent domain. It also provides that the eligibility of land for timber productivity valuation does not end because oil and gas operations begin as long as the portion of the land on which oil and gas operations are not being conducted continues to qualify for timber productivity valuation.

Status: *Signed by the governor on May 16, 2019 and takes effect on September 1, 2019.*

HB 1526 by Cecil Bell, Jr. (R-Magnolia) and Angela Paxton (R-McKinney) defines a **nursery stock weather protection unit** as an implement of husbandry for purposes of an ad valorem tax exemption.

Status: *Signed by the governor on June 2, 2019 and takes effect on January 1, 2020.*

HB 1652 by Dan Huberty (R-Humble) and Paul Bettencourt (R-Houston) allows online bidding and sale of property subject to foreclosure for delinquent property taxes at an **ad valorem tax sale**.

Status: *Sent to the governor.*

HB 1743 by Tracy King (D-Batesville) and Brandon Creighton (R-Conroe) reduces the amount of tax imposed when property subject to **agricultural use valuation** is converted to developed property from five to three years and the annual interest rate from seven to five percent.

Status: *Sent to the governor.*

HB 1802 by Dwayne Bohac (R-Houston) and Kelly Hancock (R-North Richland Hills) increases the deadline from 45 days to 60 days for a property owner to request an appeal of a **property appraisal** for **arbitration**. It removes the requirement that a Central Appraisal District (CAD) certify a request for arbitration and prohibits the comptroller from rejecting an application unless the comptroller delivers written notice to the applicant of the defect that would be the cause of the rejection and the applicant fails to cure the defect within 15 days.

Status: *It was signed by the governor on May 17, 2019 and took immediate effect.*

HB 1815 by Scott Sanford (R-McKinney) and Pat Fallon (R-Prosper) extends from April 1 to May 1 the deadline for a person requesting allocation of in-state vs. out-of-state presence of **aircraft and vessels** subject to property tax to file an application.

Status: *Sent to the governor.*

HB 1883 by Greg Bonnen (R-Friendswood) and Brandon Creighton (R-Conroe) repeals the requirement that the permissible **deferral of payment** of ad valorem taxes for **persons serving on active duty in the armed forces** is available only during a declared war or national emergency, and expands the eligibility to any person on active military duty. It also reduces the interest on those delinquent taxes to six percent per year and repeals penalties.

Status: *Sent to the governor.*

HB 1885 by Greg Bonnen (R-Friendswood) and Judith Zaffirini (D-Laredo) authorizes a taxing unit to **waive penalties and interest on a delinquent tax** if the property is subject to a mortgage that does not require the owner to fund an escrow account, the tax bill was delivered to the mortgagee of the property and not forwarded to the property owner, and the taxpayer paid the tax within 21 days after becoming aware of the delinquency.

Status: *Signed by the governor on June 7, 2019 and takes effect on January 1, 2020.*

HB 2159 by Morgan Meyer (R-Dallas) and Angela Paxton (R-McKinney) establishes procedures for **correction of an appraisal roll** based on unequal appraisal or excessive market value of a property if it results in an appraised value that exceeds more than one-fourth the correct appraised value, in the case of property that qualifies as the owner's residence homestead; or one-third the correct appraised value, in the case of property that does not qualify as the owner's residence homestead.

Status: *Sent to the governor.*

HB 2179 by John Wray (R-Waxahachie) and Bryan Hughes (R-Mineola) broadens the grounds for removal of an **appraisal review board member** to "evidence of repeated **bias or misconduct**." (Current law requires "clear and convincing evidence of repeated bias or misconduct.") For a county with a population of 120,000 or more, relating to prohibited communications regarding appointments to the ARB, it adds an exception for a communication between a taxpayer and the local administrative district judge relating to the removal of an ARB member.

Status: *Sent to the governor.*

HB 2441 by John Wray (R-Waxahachie) and Angela Paxton (R-McKinney) allows an eligible disabled person who is 65 or older to receive both a disabled and an elderly residence homestead exemption in the same year if the person receives the exemptions with respect to taxes levied by different taxing units.

Status: *It was signed by the governor on May 5, 2019 and takes effect on January 1, 2020.*

HB 2650 by Vikki Goodwin (D-Austin) and Paul Bettencourt (R-Houston) includes the **auctioneer's commissions** and fees as costs of **tax foreclosure sales** to be paid in connection with the sale.

Status: *Signed by the governor on May 29, 2019 and took immediate effect.*

HB 3384 by Hugh Shine (R-Temple) and Paul Bettencourt (R-Houston) allows the comptroller to conduct a limited-scope review of an **appraisal district** in a county in a **declared disaster area** upon request of the chief appraiser for a limited-scope review, and the comptroller determines that the appraisal office is unusable for at least 30 days, the appraisal district's records are destroyed or are unusable for at least 30 days, the appraisal district's computer system is destroyed or is unusable for at least 30 days, or due to extraordinary circumstances, the district does not have the resources to undergo a review unless it is limited in scope.

Status: *Signed by the governor on June 7, 2019 and took immediate effect.*

HB 2859 and **HJR 95** by Giovanni Capriglione (R-Keller) and Pat Fallon (R-Prosper) proposes a constitutional amendment allowing the legislature to exempt **precious metals held in a depository** in the state from property taxes.

Status: *HB 2859 was signed by the governor on June 5, 2019 and takes effect on January 1, 2020 contingent on the passage of HJR 95. HJR 95 will be on the ballot on November 5, 2019.*

SB 2 by Paul Bettencourt (R-Houston) and Dustin Burrows (R-Lubbock) is the **Texas Property Tax Reform and Transparency Act of 2019**. Key provisions are:

Restrictions on Tax Increases

- Reductions to the rate of increase in local city, county, and special district property taxes for the taxing jurisdictions in which most people live. Under current law, voters may petition for a “rollback” election if the district raises revenue on existing properties more than 8 percent. The new limit requires an automatic November election in larger jurisdictions if the tax increase is greater than 3.5 percent. The lower threshold does not apply to jurisdictions with a tax rate below 2.5 cents per \$100 of value, hospital districts, and junior college districts. Further, smaller taxing units may increase taxes by up to \$500,000 before voters must approve the increase, although they may still petition for an election if the increase is greater than 8 percent.
- Jurisdictions subject to the 3.5 percent threshold may carry forward any amount from tax rates below a 3.5 percent increase during the 3 prior years. For example, if a jurisdiction has adopted a 2.5 percent tax increase over the previous 3 years, their voter-approval threshold would be 6.5 percent (3.5 percent plus the 3 percent unused from prior years).

Improved, “Real Time” Tax Notices

- A new requirement that property owners be notified in August about their property taxes and be provided the dates, times, and locations of public meetings for the adoption of each jurisdiction’s tax rates, as well as the amount those rates would impact their individual tax bills, with links allowing property owners to register comments about the proposed tax

rates with the governing bodies of the taxing entities before they are adopted.

- Taxing unit websites are required to include more tax rate and levy information so that property owners can make informed comments.
- Newspaper notices are still required for public hearings on tax rates in a format that is more understandable; the notices also must be posted on the home page of the taxing unit's website.

Improvements to the Process of Disputing Values

- Changes to appraisal review board hearing procedures, including the creation of special panels in the five largest counties to hear protests for complex properties;
- Improvements in the binding arbitration system; and
- Other technical changes to appraisal district operations.

(summary provided by Texas Taxpayers and Research Association)

Status: *Sent to the governor.*

SB 58 by Judith Zaffirini (D-Laredo) and Dwayne Bohac (R-Houston) broadens the existing property tax exemption for personal use **leased motor vehicles** to apply to vehicles for use other than the production of income. It authorizes the exemption for a motor vehicle leased to the state, a political subdivision or a non-profit that uses it exclusively for religious, educational, or charitable purposes if the vehicle would be tax exempt if the organization owned the vehicle.

Status: *Sent to the governor.*

SB 443 by Kelly Hancock (R-North Richland Hills) and Jim Murphy (R-Houston) allows a property owner to continue to receive a **homestead exemption** if the **property is rendered uninhabitable** and unusable as a result of a disaster and the property owner is living in a different location while the property is being repaired for up to five years.

Status: *It was signed by the governor on June 4, 2019 and took immediate effect.*

SB 579 by Bryan Hughes (R-Mineola) and Gary VanDeaver (R-New Boston) provides an ad valorem tax exemption for property owned by the **TexAmericas Center**.

Status: *Signed by the governor on May 31, 2019 and takes effect on January 1, 2020.*

SB 812 by Eddie Lucio, Jr. (D-Brownsville) and Senfronia Thompson (D-Houston) updates the references to federal law in the definition of **“disaster recovery program”** for purposes of appraisal of property rendered uninhabitable or unusable due to a natural disaster. It requires the General Land Office and local administrators to prepare a list of replacement structures constructed since January 1, 2018 under a disaster recovery program and submit it to the chief appraiser to update appraisal records.

Status: *Signed by the governor on May 7, 2019 and took immediate effect.*

SB 1642 by Borris Miles (D-Houston) and Gene Wu (D-Houston) prohibits the owner of real property from transferring the **right of redemption** after a tax foreclosure to another person.

Status: *Sent to the governor.*

SB 1856 by Angela Paxton (R-McKinney) and Jim Murphy (R-Houston) requires **property tax refunds** to be delivered to the person's mailing address as listed on the appraisal roll, unless the person files a written request for the refund to be sent to another address; and requires the refunds to be made to the person who owned the property on the date that the tax was paid.

Status: *Signed by the governor on May 4, 2019 and takes effect on September 1, 2019.*

SB 1876 by Pat Fallon (R-Prosper) and Matt Krause (R-Fort Worth) defines "**contiguous tracts of land**" as improved or unimproved tracts of land that are touching or that share a common boundary as determined using appraisal district records or legal descriptions of the tracts for purposes of Section 41A.03(a-1) of the Tax code, which allows a property owner to request **binding arbitration to appeal appraisal review board orders** involving two or more contiguous tracts of land owned by the same property owner.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 1943 by Kirk Watson (D-Austin) and Eddie Rodriguez (D-Austin) requires the comptroller to prepare and electronically publish a pamphlet that provides information to assist heir property owners in applying for a residence **homestead exemption on heir property**. The pamphlet must include:

1. a list of the authorized residence homestead exemptions;
2. a description of the process for applying for an exemption;
3. a description of the documents an owner is required to submit with an application to demonstrate the owner's ownership of an interest in heir property;
4. contact information for the division of the State Bar of Texas from which a person may obtain a listing of individuals and organizations available to provide free or reduced-fee legal assistance; and
5. a general description of the process by which an owner may record the owner's interest in her property in the real property records of the county in which the property is located.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

SB 2060 by Jose Menendez (D-San Antonio) and Ryan Guillen (D-Rio Grande City) requires **appraisal notices** to include an **explanation of the exemptions** available to:

- Disabled veterans and surviving spouses and children;
- Homeowners over 65 years of age and surviving spouses;
- Disabled individuals and surviving spouses;
- Surviving spouses of military personnel killed in action; and
- Surviving spouses of first responders killed in the line of duty.

Status: *Sent to the governor.*

SB 2083 by Juan "Chuy" Hinojosa (D-McAllen) and Drew Darby (R-San Angelo) changes the calculation of the amount of tax due on a **property acquired under a possession and use agreement** or a condemnation proceeding to add the

effective date of the agreement or award as an option for the numerator in prorating the property taxes.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 2531 by Brandon Creighton (R-Conroe) and Jim Murphy (R-Houston) requires the appraisal review board to issue an agreed order within five days after the date the chief appraiser and the property owner file a joint motion notifying the board that they have agreed to a **disposition of a protest** and request the board to issue an agreed order.

Status: *Signed by the governor on June 10, 2019 and takes effect on January 1, 2020.*

TAX – FRANCHISE:

HB 1607 by Craig Goldman (R-Fort Worth) and Larry Taylor (R-Friendswood) allows a federal **defense contractor** to deduct any costs not already deducted as cost of goods sold (COGS) or as compensation that are properly allowable under the Federal Acquisition Regulation (FAR) for contracts, or subcontracts supporting those contracts, for the **sale of goods or services to the federal government**. It is limited to franchise taxes owed by businesses engaged in activities described by North American Industry Classification System codes 334511, 3364, 3399, 5413, 5415, 5416, o4 5419. The deduction phases in by 20 percent per year beginning in 2020 and being fully phased in to 100 percent in 2024.

Status: *Sent to the governor.*

SB 1824 by Charles Perry (R-Lubbock) and Jim Murphy (R-Houston) allows a **performing rights society** that licenses the public performance of nondramatic musical works on behalf of a copyright owner to exclude from its total revenue for franchise tax purposes payments made to the rights holder and the copyright owner.

Status: *Signed by the governor on May 4, 2019 and took immediate effect.*

TAX – SALES:

HB 1525 by Dustin Burrows (R-Lubbock) and Jane Nelson (R-Flower Mound) require **marketplace providers** to collect sales and use tax on the sales by third party sellers using the marketplace provider's platform. Specifically, it:

- Deems the marketplace provider the seller of the items sold on their marketplace platforms.
- Defines marketplace providers as those who own or operate a marketplace and process sales or payments for third party sellers.
- Provides that a marketplace provider has the rights and duties of a seller with regard to sales made through the marketplace, which include collection and audit responsibilities.
- Requires a marketplace provider to report all sales made through the marketplace and to collect and remit sales and use tax on the sale of taxable items.
- Requires a marketplace provider to certify to each marketplace seller that it is collecting and remitting sales and use tax on the marketplace seller's behalf.

- Requires marketplace sellers to comply with recordkeeping requirements for all marketplace sales; and requires them to furnish information to the marketplace provider to allow the marketplace provider to collect and remit correctly.
- Provides liability relief to marketplace providers for failure to collect and remit the correct amount of tax if the marketplace provider shows that it relied in good faith on incorrect or insufficient information from the marketplace seller; but holds the marketplace seller liable for any deficiencies.
- Provides rulemaking authority to the comptroller in the implementation of the legislation, including the ability to except marketplace providers from some or all of the requirement of the bill.
- Provides class action protection to marketplace providers based on the marketplace provider's duties as the seller for marketplace sales.
- Sources sales of taxable items by a marketplace provider for a marketplace seller to the destination of the taxable item.

Status: *It was signed by the governor on May 24, 2019 and takes effect on October 1, 2019.*

HB 1965 by Senfronia Thompson (D-Houston) and Paul Bettencourt (R-Houston) clarifies that the sales tax exemption for amusement services includes a non-profit entity contracted to provide **touring theatrical productions**.

Status: It was signed by the governor on May 25, 2019 and takes effect on September 1, 2019.

HB 2153 by Dustin Burrows (R-Lubbock) and Jane Nelson (R-Flower Mound) allows an **out-of-state Internet seller** or other “remote seller” to elect to collect a single, statewide local sales tax rate calculated annually by the comptroller, instead of collecting the rate actually imposed by the various taxing jurisdictions (cities and other local entities) at a destination address. Other provisions:

- A remote seller electing to collect the single rate is required to notify the comptroller before using the rate.
- The comptroller is required to calculate the single rate for a calendar year as the weighted average of local sales tax rates imposed in the previous year, rounded to the nearest.0025.
- A purchaser is allowed to request and receive from the comptroller an annual refund of any local tax overpaid due to the single rate being higher than the actual local rate would be.
- The taxes collected under the single rate are required to be deposited into trust and allocated monthly by the comptroller to local taxing jurisdictions based on each entity's pro-rata percentage of ordinary sales tax allocations.

Status: *It was signed by the governor on May 17, 2019 and takes effect on October 1, 2019.*

HB 2358 by Ryan Guillen (D-Rio Grande City) and Angela Paxton (R-McKinney) clarifies that a retailer that advertises that the **retailer will pay the sales tax** on the sale of a taxable item is liable to the state for the sales tax.

Status: *Sent to the governor.*

HB 2684 by Will Metcalf (R-Conroe) and Robert Nichols (R-Jacksonville) exempts **items sold** by a 501(c)(3) **at a county fair** if the purchaser is a person attending or participating in the fair.

Status: *It was signed by the governor on May 31, 2019 and takes effect on September 1, 2019.*

HB 3086 by Sheryl Cole (D-Austin) and Judith Zaffirini (D-Laredo) clarifies that the sales tax exemption for the production of audio-video recordings applies only to a “master recording,” defined as the principal media on which images, sound, or a combination of images and sound are first fixed and from which copies are commercially made available for sale, license, distribution, broadcast, or exhibition for consideration.

Status: *Signed by the governor on May 31, 2019 and took immediate effect.*

HB 3386 by Charlie Geren (R-Fort Worth) and Jane Nelson (R-Flower Mound) authorizes a sales tax exemption for an **amusement service** that is exclusively provided at a facility for rodeos, livestock shows, equestrian events, agricultural expositions, county fairs, or similar events.

Status: *Sent to the governor.*

SB 1214 by Charles Schwertner (R-Georgetown) and Terry Wilson (R-Marble Falls) expands the sales tax exemption for **agricultural-use aircraft** by removing the travel of less than 30 miles each way requirement.

Status: *Sent to the governor.*

SB 1525 by Kirk Watson (D-Austin) and Scott Sanford (R-McKinney) is the comptroller’s **sales tax clean-up** bill. It contains a section that says the changes made by the bill are a clarification of existing law and do not imply that existing law may be construed as inconsistent with the provisions of the bill.

Sale for Resale - It amends the statutory definition of "sale for resale" to specify that the term includes sale of tangible personal property or a taxable service to a purchaser who acquired the property or service to transfer it as an integral part of a contract or subcontract for the sale, other than the lease or rental, of tangible personal property with an entity or organization exempt from taxes. The term does not include the sale of tangible personal property to a purchaser who acquired the property to use, consume, or expend it in, or incorporate it into, an oil or gas well to perform taxable services.

Environment and Conservation Services – It specifies that environment and conservation services exempt from the sales and use tax includes labor to repair, remodel, maintain, or restore tangible personal property if the charge for the labor is itemized separately from the charge for materials furnished. The exemption does not apply to the charge for materials furnished by the service provider as part of the service.

Lump-Sum Charges for Labor and Materials – It exempts from the sales and use tax 65 percent of a lump- sum charge for labor and materials for environment and conservation services if:

- the services are required by a commission, agency, court, or political, governmental, or quasi-governmental entity to protect the environment or conserve energy; and

- the labor and materials are purchased for a health care facility or an oncology center.

Amusement and Personal Services Provided Through Coin-Operated Machines

Machines - It repeals Section 151.335 of the Tax Code, which exempts from the sales and use tax amusement and personal services provided through coin-operated machines. It amends the statutory definitions of "amusement services" and "personal services" to specify that those terms do not include services provided through coin-operated machines.

Status: *Sent to the governor.*

SJR 24 and SB 26 by Lois Kolkhorst (R-Brenham) and John Cyrier (R-Lockhart) proposes a constitutional amendment to automatically appropriate the **sales tax on sporting goods** to the Texas Parks and Wildlife Department and the Texas Historical Commission.

Status: *SB 26 was signed by the governor on June 7, 2019 and takes effect on January 1, 2020 contingent on passage of SJR 24. SJR 24 will be submitted to the voters on November 5, 2019.*

TAX – GENERAL/OTHER:

HB 1543 by Drew Springer (R-Muenster) and Pat Fallon (R-Prosper) requires a manufacturer of **off-highway vehicles** to submit an annual report to the comptroller listing each warranty issued by the manufacturer for a new off-highway vehicle sold to a Texas resident by a retailer located outside of Texas; and prohibits a county assessor-collector from issuing a title receipt and the Department of Motor Vehicles from issuing a certificate of title for an off-highway vehicle purchased from an out-of-state retailer unless the applicant provides evidence that sales taxes have been paid.

Status: *It was signed by the governor on June 2, 2019 and takes effect on September 1, 2019.*

HB 2256 by Scott Sanford (R-McKinney) and Charles Perry (R-Lubbock) allows the comptroller to authorize a **natural gas production taxpayer** to conduct a **managed audit** to determine the taxpayer's liability.

Status: *Sent to the governor.*

HB 2338 by Candy Noble (R-Lucas) and Bryan Hughes (R-Mineola) amends the definition of a **motor vehicle used for religious purposes** to remove the requirement that a vehicle be a trailer or designed to carry more than six passengers, as long as the vehicle is used primarily by a church or religious society but not primarily for the personal or official needs or duties of a minister.

Status: *It was signed by the governor on May 24, 2019 and takes effect on September 1, 2019.*

HB 3006 by Dustin Burrows (R-Lubbock) and Royce West (D-Dallas) requires a mixed beverage permit holder to file a mixed beverage sales tax return with the comptroller by the 20th day of each month.

Status: *Sent to the governor.*

HB 3954 by Dustin Burrows (R-Lubbock) and Juan “Chuy” Hinojosa (D-McAllen) clarifies that the **bulk transfer system for motor fuels** includes a marine vessel and a motor fuel storage facility for motor fuel sales tax purposes.

Status: *Signed by the governor on June 2, 2019 and takes effect on September 1, 2019.*

HB 4032 by Ryan Guillen (D-Rio Grande City) and Larry Taylor (R-Friendswood) exempts **boats and boat motors** from the sales tax if it is:

- Sold for use out of state if it is removed from Texas within 10 days of purchase;
- Sold for use out of state if, within 10 days of the purchase, the boat or motor is docked at or placed in a boat repair facility registered with the comptroller for repairs or modification, is not used while it is being repaired or modified, except as necessary to test the repairs or modification, and is removed from Texas within 20 days after the completion of the repair or modification;
- Sold for use out of state if it displays a permit at all times after the boat or motor is purchased until the boat or motor is removed from Texas within 90 days of the purchase;
- Used or brought into Texas for use if the boat or motor has a current certificate issued under federal law that is displayed at all times while the boat or motor is in Texas, and it is removed from the state within 90 days.

Status: *Sent to the governor.*

HJR 38 by Jeff Leach (R-Plano) and Pat Fallon (R-Prosper) proposes a constitutional amendment **prohibiting a state personal income tax**. The prohibition applies to the net incomes of individuals, including an individual’s share of partnership and unincorporated association income.

Status: *It will be on the ballot on November 5, 2019.*

SB 533 by Brian Birdwell (R-Granbury) and Chris Paddie (R-Marshall) clarifies that a well that is part of an enhanced oil recovery project or that is drilled but not completed and has no record of hydrocarbon production does not qualify for the two-year **inactive well exemption from the oil production tax**.

Status: *Signed by the governor on May 7, 2019 and takes effect on September 1, 2019.*

SB 925 by Pete Flores (R-Pleasanton) and Ernest Bailes (R-Shepherd) requires the calculation for determining whether a well or lease qualifies for the **low-producing tax credit** be based on the greater of the monthly production reported to the Railroad Commission and the production reported to the comptroller.

Status: *Signed by the governor on May 20, 2019 and takes effect on September 1, 2019.*

HIGHER EDUCATION BILLS THAT PASSED **86TH Texas Legislative Session**

HB 277 by Tom Oliverson (R-Houston) and Brandon Creighton (R-Conroe) requires electronic common **admission applications** to include a link to

comparative gainful employment data compiled by the Texas Higher Education Coordinating Board and the Texas Workforce Commission.

Status: *Sent to the governor.*

HB 449 by Chris Turner (D-Grand Prairie) and Kirk Watson (D-Austin) provides that if a student is **ineligible to re-enroll** in an institution of higher education for a reason other than an academic or financial reason, the institution must include a **notation on the student's transcript** stating that the student is ineligible to re-enroll in the institution for a reason other than an academic or financial reason.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 476 by Donna Howard (D-Austin) and Jose Menendez (D-San Antonio) requires institutions of higher education that have policies on **epinephrine auto-injectors** to include the policy in the institution's student handbook or a similar publication and to publish the policy on the institution's website; and to submit a copy of their policy to the Department of State Health Services (DSHS). It requires DSHS to also make that information available to the public.

Status: *Signed by the governor on May 16, 2019 and takes effect on September 1, 2019.*

HB 539 by Ben Leman (R-Brenham) and Lois Kolkhorst (R-Brenham) requires **automatic admission** to institutions of higher education for students that graduate as the **valedictorian** of the student's high school graduating class.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 766 by Dan Huberty (R-Humble) and Kirk Watson (D-Austin) adds **disabled fire fighters** to the tuition and fee exemption law exempting disabled peace officers and would require instead of allow institutions of higher education to exempt them from tuition and fees. It allows institutions of higher education to not provide the disabled peace officer and fire fighter exemption to students enrolled in a specific course in a number that exceeds 20 percent of the maximum student enrollment designated by the institution for that course.

Status: *Sent to the governor.*

HB 826 by John Zerwas (R-Fulshear) and Joan Huffman (R-Houston) establishes a **college of medicine** at the **University of Houston**.

Status: *Signed by the Governor on May 1, 2019 and took immediate effect.*

HB 1101 by Drew Darby (R-San Angelo) and Kel Seliger (R-Amarillo) changes the name of the Southwest Collegiate Institute for the Deaf to the **Southwest College for the Deaf**.

Status: *Signed by the governor on April 25, 2019 and takes effect on September 1, 2019.*

HB 1401 by Donna Howard (D-Austin) and Juan "Chuy" Hinojosa (D-McAllen) extends the sunset date on the provision in the Education Code allowing money from the permanent fund for health-related programs to be used for **grants to nursing education programs** from 2019 to 2023.

Status: *Sent to the governor.*

HB 1702 by Donna Howard (D-Austin) and Kelly Hancock (R-North Richland Hills) requires the **liaison officer** designated by each institution of higher education to interact with **students who were formerly in foster care** to receive a list of names, updated each semester, of current and incoming students at the institution who were formerly in foster care; and requires contact information for the liaison officer to be provided to the students and publicized on the institution's Internet website, social media, electronic mail, or other means of communication used by the institution.

Status: *Signed by the governor on May 29, 2019 and took immediate effect.*

HB 1735 by Donna Howard (D-Austin) and Kirk Watson (D-Austin) requires **institutions of higher education** to adopt a **policy on sexual harassment**, sexual assault, dating violence, and stalking applicable to each student and employee of the institution. It requires the policy to include:

- definitions of prohibited behavior;
- sanctions for violations;
- the protocol for reporting and responding to reports of sexual harassment, sexual assault, dating violence, and stalking;
- interim measures to protect victims of sexual harassment, sexual assault, dating violence, or stalking during the pendency of the institution's disciplinary process, including protection from retaliation, and any other accommodations available to those victims at the institution; and
- a statement regarding the importance of a victim of sexual harassment, sexual assault, dating violence, or stalking going to a hospital for treatment and preservation of evidence as soon as practicable after the incident.

Status: *Sent to the governor.*

HB 1891 by Lynn Stucky (R-Sanger) and Beverly Powell (D-Burleson) exempts students from the **Texas Success Initiative assessment requirement** if the student receives above a score set by the Texas Higher Education Coordinating Board on a high school equivalency examination. It requires the Commissioner of Higher Education to establish the period for which the exemption is valid.

Status: *Sent to the governor.*

HB 2140 by Victoria Neave (D-Dallas) and Beverly Powell (D-Burleson) requires the Texas Higher Education Coordinating Board to adopt procedures to allow a person to complete and submit the **Texas Application for State Financial Aid** (TASFA) or a similar application for state student financial assistance by electronic submission through the board's Internet website on which the board provides the common admission application form. It also requires the board to maintain an online database of institutions of higher education to which state student financial assistance may be applied.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 2261 by Armando Lucio Walle (D-Houston) and Juan "Chuy" Hinojosa (D-McAllen) changes the threshold for loan repayment through the **physician education loan repayment program** for the first, second, third, and fourth year by \$5,000 per year and the total repayment assistance from \$160,000 to \$180,000.

Status: *Sent to the governor.*

HB 2668 by Chris Turner (D-Burleson) and Angela Paxton (R-McKinney) authorizes the comptroller to dissolve a **direct-support organization** established by the **Prepaid Higher Education Tuition Board** if the comptroller determines that the purpose of the organization has been substantially complied with and orders the dissolution. Upon dissolution, funds and property from the organization will be transferred to the Texas Match the Promise Foundation.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019. Note: These provisions are also in HB 3655.*

HB 2867 by Will Metcalf (R-Conroe) and Brandon Creighton (R-Conroe) establishes the **Sam Houston State University College of Osteopathic Medicine**.

Status: *Signed by the governor on May 29, 2019 and took immediate effect.*

HB 3165 by Tom Oliverson (R-Cypress) and Brandon Creighton (R-Conroe) authorizes the **Lone Star College System District** to establish an occupational and **life skills associate degree** program at junior colleges in the district.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 3601 by Cecil Bell, Jr. (R-Magnolia) and Jose Menendez (D-San Antonio) allows the Texas Higher Education Coordinating Board to approve an institution of higher education to offer a degree in coordination with the Texas Military Department that uses alternative methods of determining mastery of program content, including **competency-based education degree plans for members of the Texas Military forces**.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

HB 3650 by Chris Turner (D-Grand Prairie) and Brandon Creighton (R-Conroe) requires any agreements made between a school district and an institution of higher education to provide a **dual credit** program to consider the use of free or low-cost **open educational resources** in the courses offered under the program.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 3652 by Chris Turner (D-Grand Prairie) and Brandon Creighton (R-Conroe) requires the Texas Higher Education Coordinating Board to contract with a high-quality **open educational resource repository** to develop and maintain a web portal customized to meet the needs of individual institutions of higher education, students, and others who may benefit from access to open educational resources.

- Open educational resources must be searchable by course or learning outcome, program or field of study, marketable skills, college readiness, and other topics determined by the board.
- The portal must provide access to repositories maintaining a wide range of open educational resources, including textbooks, full courses, course materials, modules, images, videos, assessment software, and any other tools, materials, or techniques used to support learning.

- Resources developed with state funds must be made available under a Creative Commons license and submitted for use as an open educational resource through a repository available through the portal.
- A publisher is allowed to submit instructional materials for inclusion in a repository available through the portal.
- The board is allowed to request the assistance of the Learning Technology Advisory Committee to establish, maintain, and market the web portal.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

HB 3655 by Chris Turner (D-Grand Prairie) and Dawn Buckingham (R-Lakeway) makes several changes to the **prepaid higher education tuition plan** statutes including adding **medical and dental** units for eligibility. It requires institutions of higher education (two-year and four-year) to annually (by June 1st) provide information for the next fall semester to the Prepaid Higher Education Tuition Board in a format requested by the board to assist the board in determining tuition unit sales prices for the next sales period and redemption values for the next academic year. It also contains the provisions of HB 2668 authorizing the comptroller to dissolve a **direct-support organization** established by the **Prepaid Higher Education Tuition Board** if the comptroller determines that the purpose of the organization has been substantially complied with and orders the dissolution. Upon dissolution, funds and property from the organization will be transferred to the Texas Match the Promise Foundation.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 3808 by Armando Lucio Walle (D-Houston) and Beverly Powell (D-Burleson) makes several changes including:

Degree Plans – It requires students enrolled in an associate or bachelor's degree program to file a degree plan after completing 30 (instead of 40) semester credit hours.

Support Services - It requires institutions of higher education to designate at least one employee of the institution to act as a liaison officer for current or incoming students to provide comprehensive information regarding support services and other resources available to the students including resources to access:

- Medical and behavioral health services;
- Public benefit programs;
- Affordable housing and housing subsidies;
- Public benefit case management assistance and counseling;
- Parenting and child care services;
- Employment assistance;
- Financial counseling and tax preparation assistance;
- Transportation assistance;
- Student academic success strategies; and
- Any other resources developed by the institution to assist the students.

Texas WORKS Internship Program – It establishes the Texas Working Off-Campus Reinforcing Knowledge and Skills Internship Program (Texas WORKS) to provide jobs, funded in part by the state, to enable students employed through the program to attend public or private institutions of higher education while exploring career options and strengthening marketable skills.

Coordinating Board Responsibilities - It requires the Coordinating Board to administer the program and set eligibility criteria. It requires the board to use program funds to establish an online portal for use by students and participating entities in fulfilling their responsibilities for participation in the program; and to provide a list of internship program employment opportunities available to students. It clarifies that program funds received by students are not considered as financial aid.

Participating Employer Responsibilities – It allows the Coordinating Board to enter into agreements with employers that participate in the program. An employer must:

- Be a private non-profit or for-profit entity or a governmental entity;
- Demonstrate the administrative and financial capacity to carry out the employer's responsibilities including the ability to pay full wages and benefits to a student employed through the program;
- Provide employment to a student employed through the program in nonpartisan and nonsectarian activities that relate to the student's long-term career interests;
- Use program positions only to supplement and not supplant positions normally filled by persons who are not eligible to participate in the program;
- Provide the entirety of an employed student's wages and employee benefits;
- Submit eligible wages to the coordinating board for reimbursement; and
- Comply with any other requirements adopted by the board.

An employer is not eligible to participate in the program if the employer is a public or private institution of higher education or a career school or college.

Status: *Sent to the governor. Note: On its way through the legislative process SB 1192 (Texas WORKS Internship Program) and SB 1540 (support services for students) were added as amendments to HB 3808.*

HB 4465 by Chris Turner (D-Grand Prairie) and Paul Bettencourt (R-Houston) eliminates the Texas Opportunity Plan Fund and replaces it with the **student loan auxiliary fund**.

Status: *Signed by the governor on May 31, 2019 and takes effect on September 1, 2019.*

SB 16 by Kelly Hancock (R-North Richland Hills) and Lynn Stucky (R-Sanger) institutes a **student loan repayment** assistance program for **peace officers** who agree to continued full-time employment in the state.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

SB 18 by Joan Huffman (R-Houston) and Charlie Geren (R-Fort Worth) affirms that it is the policy of the state to protect the expressive rights of persons

guaranteed by the United States and Texas by recognizing **freedom of speech** and assembly as central to the mission of **institutions of higher education**; and ensuring that all persons may assemble peaceably on the campus of institutions of higher education for expressive activities, including to listen to or observe the expressive activities of others. It requires institutions of higher education to:

- Ensure that the common outdoor areas of the institution's campus are deemed traditional public forums; and
- Permit any person to engage in expressive activities in those areas of the institution's campus freely, as long as the person's conduct is not unlawful and does not materially and substantially disrupt the functioning of the institution.

Institutions of higher education can adopt a policy that imposes reasonable restrictions on the time, place, and manner of expressive activities in the common outdoor areas of the institution's campus if those restrictions:

1. Are narrowly tailored to serve a significant institutional interest;
2. Employ clear, published, content-neutral, and viewpoint-neutral criteria;
3. Provide for ample alternative means of expression; and
4. Allow members of the university community to assemble or distribute written material without a permit or other permission from the institution.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

SB 25 by Royce West (D-Dallas) and Chris Turner (R-Grand Prairie) makes several changes to **promote credit transfer**. Specifically:

Reporting Requirements:

General Academic Institutions

- For transferring students who declared a major at the community college and have kept that major, GAIs must create a report including all courses for which the student has not been granted academic credit toward their major.
- For transferring students who are undeclared or have changed their major, GAIs must create a report including all courses for which the student has not been granted academic credit.
- The report must include why the receiving school did not provide credit for the course.

Public Junior Colleges

For students transferring out of the institution or students awarded an associate's degree, public junior colleges must report the total number of:

1. Courses attempted and completed at the college, including the total number of semester credit hours for those courses.
2. Courses attempted and completed at the college that are not in the recommended core curriculum.
3. Dual credit courses attempted and completed at the college.

Common App Notification:

- A student filling out the Common App may indicate on the form the student's consent for an institution of higher education that rejects the applicant to provide the student's application to other institutions that offer the same degree program.

Degree Plan Advising:

- Students enrolled in dual credit courses must file a degree plan not later than the end of the second semester after which the student completed 15 semester credit hours.
- Students enrolled in associate or bachelor's degree programs must file a degree plan not later than the end of the first semester after which the student completed 30 semester credit hours.

Recommended Course Sequences:

For each degree program or undergraduate certificate offered by an institution of higher education, the institution must develop at least one recommended course sequence, which must:

1. Identify all required lower - division courses for the program
2. Include for each course the course number or course equivalent under the common course numbering system, and the course equivalent in the Academic Course Guide Manual.
3. Be designed to enable a full-time student to obtain a certificate or degree on time.
4. Include a specific sequence of courses in which courses should be completed to ensure timely completion of the program.

These recommended course sequences must be included in the institution's website and course catalog, and must be sent to the Texas Higher Education Coordinating Board.

Articulation Agreements:

- General academic institutions may extend existing articulation agreements to other lower-division institutions of higher education on request by the lower-division institution.
- Articulation agreements may enable a transfer student to receive up to 60 semester credit hours for courses completed.

Reverse Transfer Data Sharing:

- Allows junior colleges and school districts to release student information to another institution of higher education for purposes of transferring course credit, in accordance with FERPA.

Formula Funding:

- In the formula funds for institutions of higher education, the board may now include courses offered by the institution providing course credit in a field of study or program of study curriculum.

Study and Report on Core Curriculum:

- During the interim, the board must study parts of the core curriculum, with the help of an advisory committee, and report its findings.
- The advisory committee must be made up of an equal number of designated representatives from public junior colleges and general academic institutions. From the designated representatives of general academic institutions, a majority must be from institutions whose Fall 2018 student body consisted of at least 25% transfer students.

The committee must study:

1. The feasibility of splitting the core curriculum into a general core curriculum and a meta major core curriculum.
2. If feasible, the recommended number of hours to be included in each split core.
3. The possibility of including the Fields of Study curriculum into meta majors

Status: *Sent to the governor.*

SB 37 by Judith Zaffirini (D-Laredo) and Matt Krause (R-Fort Worth) eliminates default on a student loan as grounds for denial or non-renewal of an **occupational license**; and prohibits a licensing authority from taking disciplinary action against a person based on the person's default on a student loan or breach of a student loan repayment contract or scholarship contract.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 212 by Joan Huffman (R-Houston) and Geanie Morrison requires an employee of a public, private, or independent **institution of higher education** who, in the course and scope of employment, witnesses or receives information regarding the occurrence of an incident that the employee reasonably believes constituted **sexual harassment, sexual assault, dating violence, or stalking** alleged to have been committed by or against a student enrolled at or an employee of the institution to promptly report the incident to the institution's Title IX coordinator. A student enrolled in the institution is not considered an employee of the institution.

Status: *Sent to the governor.*

SB 502 by Kel Seliger (R-Amarillo) and Donna Howard (D-Austin) requires institutions of higher education to **annually report** by March 1st of each year to the Texas Higher Education Coordinating Board and the legislature information on any courses in the Lower-Division Academic Course Guide Manual for which a student who transfers to the institution from another institution of higher education is not granted **academic transfer credit** at the receiving institution.

The report must include:

1. the course name and type;
2. which institution of higher education provided academic credit for the course; and
3. the reason why the receiving institution did not grant academic credit for the course.

It requires public junior colleges to report to the coordinating board and the legislature a report by March 1 each year on courses taken by students who, during the preceding academic year, transferred to a general academic teaching institution or earned an associate degree at the college. The report must include the number of:

1. courses attempted and completed at the college, including the total number of semester credit hours for those courses, disaggregated by whether the course is in the Workforce Education Course Manual or its successor or the Lower-Division Academic Course Guide Manual or its successor;
2. courses attempted and completed at the college that are not in the recommended core curriculum developed by the coordinating board; and
3. dual credit courses, including courses for joint high school and junior college credit attempted and completed.

Status: *Sent to the governor.*

SB 504 by Kel Seliger (R-Amarillo) and Michelle Beckley (D-Carrollton) allows postsecondary **education and career counseling academies** (including the Texas OnCourse Academy at the Center for Teaching and Learning at the

University of Texas at Austin) to include information regarding social-emotional learning and indicators of behavioral issues in counselor and advisor training programs.

Status: *Sent to the governor.*

SB 709 by Royce West (D-Dallas) and John Frullo (R-Lubbock) reallocates the annual constitutional **appropriation to institutions of higher education** under the **Excellence in Higher Education Act** beginning with the fiscal year ending August 31, 2021 (an update of the distribution set in 2016). It also authorizes institutions to use the funds for cloud computing services and other intangible assets with an expected useful life or for a contract period of more than one year.

Status: *Sent to the governor.*

SB 1017 by Beverly Powell (D-Burleson) and Bobby Guerra (D-McAllen) requires the Texas Higher Education Coordinating Board to establish an **Advisory Council on Postsecondary Education for Persons With Intellectual and Developmental Disabilities** to advise the board on policies and practices to improve postsecondary education opportunities for persons with intellectual and developmental disabilities.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 1324 by Larry Taylor (R-Friendswood) and Chris Turner (D-Grand Prairie) requires **dual credit students** to file a **degree plan** after completing 15 semester credit hours of dual credit courses or when the student begins the student's first semester or term at the college with 15 or more semester credit hours.

Status: *Signed by the governor on June 4, 2019 and took immediate effect.*

SB 1378 by Dawn Buckingham (R-Lakeway) and Chris Turner (D-Grand Prairie) provide that if a proposed **medical school's maximum enrollment class size** differs from its preliminary plan, the institution must include an increase in the number of **first-year residency positions** sufficient to accommodate the increased class size.

Status: *Signed by the governor on May 20, 2019 and took immediate effect.*

SB 1441 by Judith Zaffirini (D-Laredo) and Chris Turner (D-Grand Prairie) requires the Texas Higher Education Coordinating Board to conduct a study comparing **postsecondary outcomes** for students enrolled in institutions of higher education who received a **high school diploma** and those students who received a **GED**.

Status: *Sent to the governor.*

SB 1504 by Judith Zaffirini (D-Laredo) and Shawn Thierry (D-Houston) **abolishes the B-On-Time student loan account** effective September 1, 2024 (instead of 2020) and allocate the remaining funds in the account among eligible institutions to support efforts to increase the number of, or the rate of, at-risk students who graduate from the institution. *Note: the comptroller projects the ending balance in the fund to be \$134.5 million.*

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 1680 by Royce West (D-Dallas) and Toni Rose (D-Dallas) requires the Texas Higher Education Coordinating Board to approve **tuition equalization grants** for private or independent institutions of higher education that previously qualified for the program but no longer hold the same accreditation as public institutions of higher education if the institution:

- is accredited by an accreditor recognized by the coordinating board;
- is a work college, as defined by federal law; and
- participates in the federal Pell Grant Program.

Status: *Signed by the governor on June 4, 2019 and took immediate effect.*

SB 1757 by Brandon Creighton (R-Conroe) and John Frullo (R-Lubbock) clarifies that the **math and science scholars loan repayment program** rules may not require a person to complete more than four additional consecutive school years of teaching. And, it allows the program to repay a student loan that is for education at a nonprofit, tax-exempt, regionally accredited college or university operating in accordance with a memorandum of understanding with Texas under an executive order issued by the governor.

Status: *Sent to the governor.*

PUBLIC EDUCATION BILLS THAT PASSED 86TH Texas Legislative Session

HB 3 by Dan Huberty (R-Humble) and Larry Taylor (R-Friendswood) is the **public school finance reform** bill. Here are specifics:

Formula Changes:

- Uses **current year values** (changed from prior year) in formula calculations.
- **Repeals** the following formula elements and re-distributes the revenue attributable to them:
 1. Cost of Education Index (CEI)
 2. 1993 Chapter 41 Hold Harmless (phases out over 5 years)
 3. Chapter 41 Early Agreement Credit
 4. Gifted and Talented Weight (Requires school districts to maintain their gifted and talented programs, or funds will be withheld from the district. Districts must report to the Commissioner of Education regarding the use of funds on gifted and talented programs. School districts cannot limit the number of gifted and talented students identified based on any provisions in HB 3.)
 5. High School Allotment (\$275 per ADA)
 6. Staff Salary Allotment for non-professional staff.
- **Increases the basic allotment to \$6,160** from \$5,140 (+19.8 percent). Authorizes a school district to increase its M&O tax rate up to \$1.17 to make up for lost revenue if the Legislature lowers the basic allotment.
- Increases **compensatory education** funding based on student needs; sliding scale weight 0.225-0.275 (from 0.20). Based on “economic census blocks” using median household income, average educational attainment, percentage of single-parent households, rate of homeownership. No longer based on qualification for free and reduced price lunch.

- Expands **career & technology allotment** to include courses in grades 7 - 12 (current law is 9 – 12).
- Increases **special education** mainstream weight to 1.15 (from 1.10) and requires the Commissioner of Education to distribute funding to school districts for special education students in the amount necessary to comply with federal requirements for maintenance of state financial support. Requires the Commissioner of Education to appoint a Special Education Allotment Committee to make recommendations on special education funding.
- Converts the **small and mid-size district adjustment** to a stand-alone allotment, but maintains it as a formula multiplier for special education students.
- Maintains current law **bilingual weight** of 0.10.
- Changes **transportation allotment** calculation to \$1.00 per mile per student instead of using linear miles.
- Requires quality **full-day prekindergarten** for eligible 4-year-olds. Districts can opt out for lack of facilities. District must seek partnerships with local child care providers before obtaining waiver.
- Authorizes the Commissioner of Education to include the reimbursement of interest payments when adjusting a school district's funding due to refunds made by a school district in the 2018 or 2019 fiscal year as a result of litigation.
- Provides “**formula transition grants**” for five years so that all school districts and charter schools will receive at least the lesser of (1) 103 percent of the amount they would have received under current law or (2) 128 percent of the statewide average amount of M&O revenue that would have been provided for the 2019-20 under current law.
- Provides a special hold harmless for the 10 school districts that are the only school district in a county and have less than 300 ADA.

New Allotments and Programs

- **Early education allotment** for economically disadvantaged and bilingual students in grades K-3; weight 0.10.
- **Dual language allotment**; weight 0.15, 0.05 if English proficient.
- **Dyslexia allotment** for each student identified as having dyslexia or a related disorder; weight 0.10.
- **Dropout recovery school and residential placement facility allotment** of \$275 per student attending a dropout recovery school or residing in a residential placement facility.
- **Fast growth allotment** of 0.04 for each student in a school district with enrollment growth in the top quartile over the past three years.
- **Mentor program allotment** to provide school districts with funds to pay stipends to mentor teachers.
- **College, career, and military readiness outcomes bonus** of \$5,000 for economically disadvantaged students, \$3,000 for non-economically disadvantaged students, and \$2,000 for special education students to send to districts for students in the top 25th percentile of performance on the SAT and ACT test, and other indicators established by the Commissioner.

- **Extended year incentive program** to provide 30 days (1/2 day) additional instruction days for students in Pre-K through 5th grade.
- Directs the Commissioner to establish a **blended learning grant program** to assist districts in combining classroom and online instruction.

Kindergarten-Third Grade Reading Standards

- Requires each school district and charter school to provide for the use of a phonics curriculum that uses systematic direct instruction in kindergarten through third grade to ensure all students obtain necessary early literacy skills and requires that K-3 teachers and principals attend a literacy achievement academy.

Early Childhood Literacy and Mathematics Proficiency Plans

- Requires each school district to adopt and post on the district's website early childhood literacy and mathematics proficiency plans that set specific annual goals for the following five school years to reach quantifiable goals for student performance in reading and mathematics at each campus.
- An annual report of progress must be reviewed annually by the school board and posted on the district's website.

Teacher Salaries

- Requires school districts to use **30 percent of the revenue from the increase in the basic allotment** to increase compensation for all employees other than administrators. 75 percent of that amount must be used to provide salary increases to teachers, librarians, counselors, and nurses, prioritizing differentiated compensation for classroom teachers with more than five years of experience.
- Creates a new **teacher incentive allotment** to send to districts to provide pay increases to effective teachers who teach at high needs campuses, rural campuses, or in areas experiencing a critical shortage of teachers. Teachers designated as master, exemplary, or recognized by the district and who teach at campuses with the greatest needs can receive a bonus of up to \$32,000.
- Requires each school district to submit a report to the Legislature on salary and wage increases by December 1, 2020.
- Requires the Commissioner of Education to create a "Do Not Hire" registry for education employees.

Kindergarten Reading Diagnostic Instrument

- Requires school districts to administer a reading diagnostic instrument to all kindergarten students.

FAFSA

- Requires students to fill out a Free Application for Federal Student Aid (FAFSA) before graduating from high school. A student can obtain a waiver from this requirement.

(summary provided by Texas Taxpayers and Research Association)

Status: Sent to the governor.

HB 18 by Four Price (R-Amarillo) and Kirk Watson (D-Austin) adds the requirements that a **school district's improvement plan** must include:

- evidence-based practices that address the needs of students for special education programs;
- positive behavior interventions and support that integrates best practices on grief-informed and trauma-informed care; and
- implementation of a comprehensive school counseling program.

It requires teachers to be trained on teaching and intervening with **students with mental health conditions** or who engage in substance abuse and educating diverse populations including:

- students who are eligible to participate in special education programs;
- students who are eligible to receive rehabilitation services;
- students with mental health conditions or who engage in substance abuse; and
- students with intellectual or developmental disabilities.

Continuing education requirements for counselors must include information regarding:

- counseling students concerning mental health conditions and substance abuse, including through the use of grief-informed and trauma-informed interventions, crisis management and suicide prevention strategies; and
- effective implementation of a comprehensive school counseling program.

Texas Education Agency, in coordination with the Health and Human Services Commission is required to provide on-line resources for school districts and charters on working with students who engage in substance abuse and also provide an enrichment curriculum that includes mental health, including instruction about mental health conditions, substance abuse, skills to manage emotions, establishing and maintaining positive relationships, and responsible decision-making. It also increases curriculum requirements on mental health issues; and expands school counseling programs for students with mental health conditions.

Status: *Signed by the governor on June 2, 2019 and takes effect on December 1, 2019.*

HB 19 by Four Price (R-Amarillo) and Kirk Watson (D-Austin) requires local mental health authorities to employ a non-physician **mental health professional** to serve as a mental health and substance use **resource for school districts** located in the region served by a regional education service center and in which the local mental health authority provides services.

Status: *Sent to the governor.*

HB 76 by Dan Huberty (R-Katy) and Carol Alvarado (D-Houston) requires school districts to provide a **student athlete** who is required by University Interscholastic League (UIL) rule or policy to receive a physical examination before being allowed to participate in an athletic activity sponsored or sanctioned by the UIL the following:

- information about sudden cardiac arrest and electrocardiogram testing; and
- notification of the option of the student to request the **administration of an electrocardiogram**, in addition to the physical examination.

A student is allowed to request an electrocardiogram from any health-care professional, including a health care professional provided through the student's

patient-centered medical home, a health care professional provided through a school district program, or another health care professional chosen by the parent or person standing in parental relation to the student as long as the professional is appropriately licensed and authorized to administer and interpret electrocardiograms.

Status: *Sent to the governor.*

HB 109 by Armando “Mando” Martinez (D-Weslaco) and Juan “Chuy” Hinojosa (D-McAllen) applies the statute **prohibiting classes on Memorial Day** to open-enrollment charter schools.

Status: *Sent to the governor.*

HB 111 by Mary Gonzalez (D-El Paso) and Pat Fallon (R-Prosper) requires **training for school district and charter employees** to include **prevention of sexual abuse**, sex trafficking, and other maltreatment of children with significant cognitive disabilities.

Status: *Signed by the governor on May 31, 2019 and took immediate effect.*

HB 114 by James White (R-Hillister) and Brian Birdwell (R-Granbury) requires **high school students** and their parents to **receive information** regarding the availability of college credit awarded by institutions of higher education to veterans and military service members for military experience, education, and training obtained during military service (the **College Credit for Heroes Program**).

Status: *Signed by the governor on May 16, 2019 and took immediate effect.*

HB 165 by Diego Bernal (D-San Antonio) and Beverly Powell (D-Burleson) allows **special education students** to earn an **endorsement** on the student’s transcript by successfully completing curriculum and endorsement requirements identified by the State Board of Education, with or without modification by the student’s admission, review, and dismissal committee.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 293 by Ken King (R-Canadian) and Kel Seliger (R-Amarillo) exempts **school district treasurers**, chief financial officers or investment officers from **investment training requirements** if the school district does not invest district funds or only deposits those funds in interest-bearing deposit accounts or certificates of deposits and the treasurer, chief financial officer, or investment officer annually submits a sworn affidavit identifying the applicable criteria that applies to the district to Texas Education Agency.

Status: *Signed by the governor on June 7, 2019 and took immediate effect.*

HB 330 by Gary VanDeaver (R-New Boston) and Bryan Hughes (R-Mineola) excludes students who have suffered a condition, injury or illness that requires substantial medical care and leaves the student unable to attend school and assigned to a medical or residential treatment facility from the **dropout and completion rate calculations**.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 391 by Cesar Blanco (D-El Paso) and Judith Zaffirini (D-Laredo) requires school districts to provide **instructional materials** to a student in printed format if the student does not have reliable access to technology at the student's home. It clarifies that a school district charter is not required to purchase printed copies of instructional materials that the district or school would not otherwise purchase. A district or school is allowed to provide the student a printout of the relevant electronic instructional materials.

Status: *Sent to the governor.*

HB 396 by Gary VanDeaver (R-New Boston) and Bryan Hughes (R-Mineola) allows money in the **instructional materials and technology fund** to be used to pay the expenses associated with intrastate freight and shipping; and allows funding to be used to pay for inventory of software or systems for storing, managing and accessing instructional materials and analyzing the usage and effectiveness of the instructional materials.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

HB 496 by Barbara Gervin-Hawkins (D-San Antonio) and Eddie Lucio, Jr. (D-Brownsville) requires school districts and charters to develop and annually make available a protocol for school employees and volunteers to follow in the event of a traumatic injury. The protocol is required to:

1. provide for a school district or charter to maintain and make available to school employees and volunteers **bleeding control stations** for use in the event of a traumatic injury involving blood loss;
2. ensure that bleeding control stations are stored in easily accessible areas of the campus that are selected by the district's school safety and security committee or the charter school's governing body;
3. require that agency-approved training on the use of a bleeding control station in the event of an injury to another person be provided to each school district peace officer or school security personnel, each school resource officer, and all other district or school personnel who may be reasonably expected to use a bleeding control station; and
4. require the district or charter school to annually offer instruction on the use of a bleeding control station from a school resource officer or other appropriate district or school personnel to students in grades seven and higher.

Status: *Sent to the governor.*

HB 548 by Terry Canales (D-Edinburg) and Eddie Lucio, Jr. (D-Brownsville) requires school districts and charters to report **truancy information** through the Public Education Information Management System (PEIMS). It also requires the Commissioner of Education and the Health and Human Services Commissioner to jointly ensure that the **language acquisition of each child** eight years of age or younger **who is deaf** or hard of hearing is regularly assessed using a tool or assessment determined to be valid and reliable. Statistics related to those assessments is required to be annually reported and posted on the websites of the Texas Education Agency, Health and Human Services Commission and School for the Deaf.

Status: *Sent to the governor.*

HB 638 by Giovanni Capriglione (R-Keller) and Beverly Powell (D-Burleson) establishes procedures for a high school **diploma to be issued posthumously** to a student that dies while enrolled in the school district.

Status: *Signed by the governor on May 25, 2019 and took immediate effect.*

HB 674 by Jared Patterson (R-Frisco) and Pat Fallon (R-Prosper) requires school districts to report to the Commissioner of Education information on the district's **reliance on education service centers for assistance in complying with state education laws** and rules and indicate the specific laws or rules for which compliance is the most burdensome and expensive. The information provided may not be considered in the annual evaluation of a regional education service center.

Status: *Signed by the governor on May 28, 2019 and takes effect on September 1, 2019.*

HB 678 by Ryan Guillen (D-Rio Grande City) and Beverly Powell (D-Burleson) adds a course in **American Sign Language** completed at an elementary school to count for one credit toward an **elective course** for graduation.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 684 by Travis Clardy (R-Nacogdoches) and Bryan Hughes (R-Mineola) requires **school nurses** and other school district employees to complete an agency-approved online course on managing **students with seizures**, seizure recognition and related first aid. It allows a parent or guardian of a student with a seizure disorder to seek care for the student's seizures while the student is at school or participating in a school activity by submitting to the school district a copy of a seizure management and treatment plan developed by the student's parent and the physician responsible for the student's seizure treatment.

Status: *Sent to the governor.*

HB 692 by James White (R-Hillister) and Kirk Watson (D-Austin) prohibits a **homeless student** from being placed in out-of-school suspension.

Status: *Signed by the governor on June 7, 2019 and took immediate effect.*

HB 811 by James White (R-Hillister) and Royce West (D-Dallas) requires school district's student code of conduct policies to specify that consideration will be given as a factor in **disciplinary decisions** to whether a student is **homeless or in foster care**.

Status: *Signed by the governor on May 24, 2019 and took immediate effect.*

HB 906 by Senfronia Thompson (D-Houston) and Beverly Powell (D-Burleson) establishes the **Collaborative Task Force on Public School Mental Health Services** to study and evaluate:

1. mental health services that are funded by the state and provided at a school district or charter directly to a student, parent or family member of a student or an employee of the district or school;
2. training provided to an educator employed by the district or school to provide mental health services; and
3. the impact the mental health services have on:

- the number of violent incidents that occur at school districts or charters;
- the suicide rate of the individuals who are provided mental health services;
- the number of public school students referred to the Department of Family and Protective Services for investigation services and the reasons for those referrals;
- the number of individuals who are transported from each school district or charter for an emergency detention; and
- the number of public school students referred to outside counselors.

Status: *Sent to the governor.*

HB 961 by Donna Howard (D-Austin) and Kirk Watson (D-Austin) allows a **school nurse** employed by a district or charter to be a member of the district or charter's **concussion oversight team** if the nurse requests to be on the team; and it adds school nurses to the list of persons who can remove a student from an interscholastic athletics practice or competition if he/she believes the student might have sustained a concussion.

Status: *Signed by the governor on June 2, 2019 and took immediate effect.*

HB 963 by Cecil Bell, Jr. (R-Magnolia) and Larry Taylor (R-Friendswood) requires the State Board of Education to conduct a review of the essential knowledge and skills of the career and technology and technology applications curricula; and amend the board's rules to **consolidate the technology applications courses** for grades 9 through 12 with the career and technical education courses. And, it requires school districts that maintain an Internet website to post the **name, e-mail address**, and term of office of each member of the district's **board of trustees on the district's website**.

Status: *Sent to the governor.*

HB 1026 by Dwayne Bohac (R-Houston) and Bryan Hughes (R-Mineola) requires the State Board of Education to integrate **positive character traits** into the Texas Essential Knowledge and Skills for kindergarten through 12th grade curriculum.

Status: *Sent to the governor.*

HB 1143 by Cole Hefner (R-Mount Pleasant) and Bryan Hughes (R-Mineola) prohibits school districts and charters from regulating the manner in which a **handgun**, firearm, or ammunition is **stored in a vehicle in the school district's or charter's parking lot**.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

HB 1244 by Trent Ashby (R-Lufkin) and Donna Campbell (R-New Braunfels) requires the **U. S. history end-of-course assessment** to include 10 questions randomly selected by the Texas Education Agency from the **civics test** administered as part of the **naturalization process** under the federal Immigration and Nationality Act.

Status: *Sent to the governor.*

HB 1387 by Cole Hefner (R-Mount Pleasant) and Brandon Creighton (R-Conroe) allows school districts, charters, and private schools to appoint one or more **school marshals** for each campus.

Status: *Signed by the governor on June 6, 2019 and takes effect on September 1, 2019.*

HB 1597 by Stan Lambert (R-Abilene) and Dawn Buckingham (R-Lakeway) allows a **student whose parent** or guardian is an active-duty **military member** to establish **residency in a school district** by providing a copy of a military order requiring the parent's transfer to a military installation in or adjacent to the district's attendance zone.

Status: *Signed by the governor on May 28, 2019 and took immediate effect.*

HB 2184 by Alma Allen (D-Houston) and Joan Huffman (R-Houston) establishes procedures to **transition** a student from an **alternative education program** to a regular classroom.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 2190 by Todd Hunter (R-Corpus Christi) and Juan "Chuy" Hinojosa (D-McAllen) allows an open-enrollment **charter school** to **admit a child of an employee** of the school regardless of whether the child resides in the geographic area served by the school.

Status: *Sent to the governor.*

HB 2195 by Morgan Meyer (R-Dallas) and Judith Zaffirini (D-Laredo) require school districts to include in its multihazard emergency operations plan a **policy** for responding to an **active shooter emergency**. It also requires school district peace officers and resource officers to complete an active shooter response training program approved by the Texas Commission on Law Enforcement.

Status: *Sent to the governor*

HB 2210 by Keith Bell (R-Forney) and Beverly Powell (D-Burleson) requires a memorandum of understanding between a school district and a state hospital under which the district provides educational services to a **student who resides in the state hospital** to provide for the school district to include the performance of the student on an assessment or other achievement indicator in determining the performance of that school district.

Status: *Sent to the governor.*

HB 2243 by Tom Oliverson (R-Cypress) and Dawn Buckingham (R-Lakeway) allows a school district, charter, or private school to adopt a policy authorizing a **school nurse** to maintain and **administer prescription asthma medication** to students subject to written parental permission.

Status: *Signed by the governor on May 24, 2019 and took immediate effect.*

HB 2424 by Trent Ashby (R-Lufkin) and Pat Fallon (R-Prosper) requires the State Board of Educator Certification to establish a program to issue **micro-credentials** in fields of study related to an educator's certification class. It requires the Texas Education Agency to approve continuing education providers to offer micro-credential courses. A micro-credential received by an educator

must be recorded on the agency's Educator Certification Online system (ECOS) and included as part of the educator's public certification records.

Status: *Status: Sent to the governor.*

HB 2526 by Jeff Leach (R-Plano) and Pat Fallon (R-Prosper) requires schools to **admit students** if the person and either parent reside in a residence homestead located on a parcel of **property** any part of which is **located in the school district**.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 2984 by Steve Allison (R-San Antonio) and Larry Taylor (R-Friendswood) requires kindergarten through 8th-grade TEKS to include coding, computer programming, computational thinking, and cybersecurity in the **technology applications curriculum** and to be updated every five years to ensure the curriculum is relevant to student education and aligns with current emerging professions. It also requires Texas Education Agency to establish the **Computer Science Strategic Advisory Committee** to develop and provide recommendations for increasing computer science instruction and participation in public schools. The advisory committee is required to submit a report by September 1, 2020 to the governor and legislature with recommendations intended to:

1. increase the number of certified computer science teachers;
2. increase the number of public high schools offering computer science courses;
3. increase the number of high school students enrolled in computer science courses;
4. encourage the enrollment of diverse student populations in computer science courses; and
5. expand computer science learning opportunities, including computer programing, computer coding, cybersecurity, and computational thinking in public schools.

Status: *Sent to the governor.*

HB 3007 by Chris Turner (D-Grand Prairie) and Beverly Powell (D-Burleson) requires the Texas Education Agency to provide school districts with a copy of all **source data submitted** to the agency by an entity other than the district that the agency considered in determining the district's or a campus' **accountability rating**, prior to the initial release of accountability ratings for a school year.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

HB 3011 by Chris Turner (D-Grand Prairie) and Beverly Powell (D-Burleson) requires the Texas Higher Education Coordinating to provide school districts with a copy of all **source data** submitted by institutions of higher education that the Texas Education Agency uses to consider in determining the **district's accreditation status and performance ratings**.

Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.

HB 3012 by James Talarico (D-Round Rock) and Judith Zaffirini (D-Laredo) requires school districts to provide to a student, during the period of the student's **suspension in-school or out-of-school**, an alternative means of **receiving all course work** provided in the classes in the foundation curriculum that the student misses as a result of the suspension with at least one option that does not require the use of the Internet.

Status: *Sent to the governor.*

HB 3145 by Steve Toth (R-The Woodlands) and Brandon Creighton (R-Conroe) clarifies the **rights of parents to attend school activities** including school lunches, performances, and field trips.

Status: *Sent to the governor.*

HB 3217 by Trent Ashby (R-Lufkin) and Angela Paxton (R-McKinney) makes changes to **teacher certification** statutes including:

- allowing an applicant for a teaching certificate to hold a bachelor's degree with an academic major of education;
- removing the cap on baccalaureate-level education course semester credit hours that the State Board of Educator Certification can require for a teaching certificate; and
- requiring the State Board of Educator Certification to provide for a minimum amount of **field-based experience or internship** to be included in the required credit hours needed for teacher certification.

Status: *Signed by the governor on May 24, 2019 and took immediate effect.*

HB 3435 by Rhetta Andrews Bowers (D-Rowlett) and Nathan Johnson (D-Dallas) designates March 1st as **Texas Girls in STEM Day** to celebrate and encourage the participation of girls in the fields related to science, technology, engineering, and mathematics.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

HB 3630 by Morgan Meyer (R-Dallas) and Eddie Lucio, Jr. (D-Brownsville) **prohibits** a school district, district employee, volunteer, or an independent contractor of a school district from **applying an aversive technique to a student** unless the technique does not cause the student pain or discomfort, or complies with the student's individualized education program or behavior intervention plan.

Status: *Sent to the governor. Note: this bill also passed as SB 712, which was signed by the governor.*

HB 3884 by Terry Wilson (R-Marble Falls) and Judith Zaffirini (D-Laredo) requires the Department of State Health Services instead of the Texas Education Agency to prescribe procedures for a school district to provide **information relating to bacterial meningitis to students** and parents.

Status: *Sent to the governor.*

HB 3906 by Dan Huberty (R-Humble) and Larry Taylor (R-Friendswood) makes several changes regarding **student assessments**. It:

- Eliminates the fourth and seventh grade writing assessments and puts those portions into the English Language Arts tests as questions;
- sets out that it is the policy of the state that the statewide assessment program be designed to provide assessment instruments that are as short as practicable and minimize the disruption to the educational program.
- Allows the State Board of Education to designate sections of a mathematics assessment instrument for a grade level that may be completed with the aid of technology, and that must be completed with the aid of technology.
- Prohibits assessments from having more than three parts.
- Prohibits any part of an assessment if administered to students in grades three and four, 85 percent of students will be able to complete that part within 60 (instead of 120) minutes; and for grades five through eight, 85 percent of students will be able to complete that part within 75 (instead of 180) minutes.
- Only allows assessment instruments to be administered to a kindergarten student to determine whether the student is entitled to Foundation School Program benefits.
- Allows assessments to be provided in multiple parts over more than one day.
- Prohibits the assessments from being administered on a Monday.
- Prohibits more than 75 percent of the questions to be in a multiple-choice format beginning with the 2022-2023 school year.
- Requires Texas Education Agency to develop optional interim assessment instruments that school districts can use a predictive of performance on the required assessments, but they must be administered electronically and may not be used for accountability purposes.
- Requires the Commissioner of Education to appoint a technical advisory committee composed of experts on educational assessments and psychometrics to assist with the development of valid and reliable assessment instruments.
- Requires the commissioner to also appoint an educator advisory committee composed of experts in curriculum and instruction to provide advice on the development of academically appropriate assessment instruments.
- Requires TEA to develop and implement a transition plan to administer all required assessment instruments electronically beginning no later than the 2022-2023 school year. The plan is required to:
 1. Evaluate the availability of Internet access for each school district;
 2. Identify changes to state law or policy necessary to improve the availability of Internet access;
 3. Evaluate the state's experience with administering online assessment instruments, including the occurrence or effects of power outages or other types of disruptions of Internet service, and actions taken by the state to mitigate the occurrence and effect of those disruptions; and
 4. Identify an evaluate actions taken by the state to improve the administration of online assessment instruments.

- Requires TEA to report the transition plan to the legislature for approval by December 2020 and requires the report to include:
 1. Information from school districts assessing the needs of those districts in transition to electronic administration;
 2. Any recommended changes to state law to assist in the transition; and
 3. A recommended timeline for statewide implementation of electronic administration.
- Requires TEA to establish a pilot program for participating school districts to administer integrated formative assessment instruments and requires TEA to report to the legislature on the pilot program that includes an analysis of whether the administration of integrated formative assessment instruments under the pilot provided any improvement in instructional support.
- Requires school districts to allow students to use a personal computing device with a calculator application instead of a graphing calculator in a course that requires students to use a graphing calculator unless the district makes a graphing calculator available to students at no cost to the student.
- Allows TEA to use up to \$35 million annually from the Foundation School Program to implement this Act.

Note: HB 1, the appropriations bill, includes \$99.8 million to implement provisions of HB 3906.

Status: Sent to the governor.

HB 4205 by Tom Craddick (R-Midland) and Charles Perry (R-Lubbock) addresses next steps for **failing campuses**.

Repurposing of a Closed Campus – It allows the Commissioner of Education to repurpose a closed campus if it is operated under a contract, approved by the school district, with a nonprofit organization that has a governing board that is independent of the district, has a successful history of operating a school district campus or open-enrollment charter school serving 10,000 or more students and has been assigned an overall performance rating of B or higher for the preceding school year. The contract must allow a student residing in the attendance zone of the campus immediately before the campus was repurposed to be admitted for enrollment at the repurposed campus. The commissioner is required to select one campus that received an unacceptable rating for the 2017-2018 school year to submit an accelerated campus excellence turnaround plan for the 2019-2020 school year.

Accelerated Campus Excellence Turnaround Plans - It allows a campus to submit an accelerated campus excellence turnaround plan that provides:

- the assignment of a principal to the campus who has demonstrated a history of improvement in student academic growth at campuses in which the principal has previously worked;
- that the principal has final authority over personnel decisions at the campus;
- that at least 60 percent of the classroom teachers assigned to the campus are teachers who demonstrated instructional effectiveness during the previous school year, with instructional effectiveness determined by:

1. for a teacher who taught in the district during the previous school year, the teacher's impact on student growth as determined using a locally developed value-added model that measures student performance on at least one assessment selected by the district and an evaluation of the teacher based on classroom observation; and
2. for a teacher who did not teach in the district during the previous school year, data and other evidence indicating that if the teacher had taught in the district during the previous school year, the teacher would have performed in the top half of teachers in the district.

- A detailed description of the employment and compensation structures for the principal and classroom teachers, which must include:
 1. Significant incentives for a high-performing principal or teacher or remain at the campus; and
 2. A three-year commitment by the district to continue incentives for the principal and teachers.
- Policies and procedures for the implementation of best practices at the campus including:
 1. Data-driven instructional practices;
 2. A system of observation of and feedback for classroom teachers;
 3. Positive student culture on the campus;
 4. Family and community engagement, including partnerships with parent and community groups;
 5. Extended learning opportunities for students, which may include services or workforce learning opportunities; and
 6. Providing student services before or after the instructional day that improve student performance, which may include tutoring, extracurricular activities, counseling services, and offering breakfast, lunch, and dinner to all students at the campus.
- Assistance by a third-party provider that is approved by the commissioner in the development and implementation of the district's plan.

It allows the commissioner to provide guidance to districts to implement an accelerated campus excellence turnaround plan.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 4258 by Jim Murphy (R-Houston) and Donna Campbell (R-New Braunfels) grants the attorney general the sole authority to review the record of public notice and hearings related to any **bond financing of an educational facility for an authorized charter school**; and the attorney general is allowed to issue approval required under the federal Internal Revenue Code.

Status: *Sent to the governor.*

HB 4310 by Harold Dutton (D-Houston) and Bryan Hughes (R-Mineola) requires school districts to allow **sufficient time for teachers to teach** and for students to learn the required curriculum; and prohibits a school district from penalizing a teacher that does not follow a **designated scope and sequence**, if the teacher

determines that students need additional time or less time to demonstrate proficiency in the essential knowledge and skills for that subject and grade level.

Status: *Sent to the governor.*

HB 4342 by Travis Clardy (R-Nacogdoches) and Larry Taylor (R-Friendswood) adds a professional architect who is registered and a member of the Texas Society of Architects, and three (instead of two) members of the public to the **Texas School Safety Center**.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

HB 4388 by Jim Murphy (R-Houston) and Donna Campbell (R-New Braunfels) requires the State Board of Education to provide quarterly **financial reports** to the School Land Board on the portion **permanent school fund assets** and funds for which the State Board of Education is responsible; and requires the School Land Board to provide quarterly financial reports to the State Board of Education on the portion of the permanent school fund assets and funds for which the board is responsible. It establishes the **Permanent School Fund Liquid Account** to be used by the School Land Board and the State Board of Education. The School Land Board is required to hold quarterly meetings and release funds to the Permanent School Fund Liquid Account from the Real Estate Special Fund, except for funds that are either being used for their designated purpose under existing law or required for anticipated cash management needs within the 90-day period following the meeting.

Status: *Signed by the governor on June 7, 2019 and takes effect on September 1, 2019.*

HB 4611 and HJR 151 by Dan Huberty (R-Humble) and Larry Taylor (R-Friendswood) proposes a constitutional amendment increasing the **annual distribution** rate from the Permanent School Fund to the Available School Fund from \$300 million to \$600 million.

Status: *HB 4611 was signed by the governor on June 5, 2019. It takes effect January 1, 2020 contingent on the passage of HJR 151. HJR 151 will be on the ballot on November 5, 2019.*

SB 11 by Larry Taylor (R-Friendswood) and Greg Bonnen (R-Friendswood) establishes several new programs and requirements related to improving **public school safety** and **student mental health**.

Facilities Standards – The Commissioner of Education is required to adopt and amend rules as necessary to ensure that building standards for instructional facilities and other school district and charter facilities provide a secure and safe environment.

School District Improvement Plans – School district improvement plans must include provisions for a trauma-informed care policy.

Charters – It clarifies that school safety requirements apply to open-enrollment charter schools.

Teacher Continuing Education – It requires continuing education requirements for classroom teachers to include instruction regarding how grief and trauma affect student learning and behavior and how evidence-based, grief-informed, and trauma-informed strategies support the academic success of students

affected by grief and trauma (under current law that continuing education requirement is optional).

Instructional Time Waivers For School Safety Training – It requires the Commissioner of Education to provide a waiver (of up to 420 minutes) from the 75,600 minutes of classroom instruction requirement to allow for fewer minutes of operation and instructional time for a school district that requires each educator employed by the district to attend an approved school safety training course approved by the Texas School Safety Center.

Mental Health and Suicide Prevention – It expands the foundation curriculum to include mental health, including instruction about mental health conditions, substance abuse, skills to manage emotions, establishing and maintaining positive relationships, and responsible decision-making; and suicide prevention, including recognizing suicide-related risk factors and warning signs.

Digital Citizenship and Cyberbullying – It requires school districts to incorporate instruction in digital citizenship into the district's curriculum, including information regarding the potential criminal consequences of cyberbullying. "Digital citizenship" is defined as the standards of appropriate, responsible, and healthy online behavior, including the ability to access, analyze, evaluate, create, and act on all forms of digital communication.

Local School Health Advisory Councils – Adds to the duties of local school health advisory councils making recommendations regarding strategies to increase parental awareness regarding risky behaviors and early warning signs of suicide risks and behavioral health concerns, including mental health disorders and substance use disorders and available community programs and services that address risky behaviors, suicide risks, and behavioral health concerns.

Multi-Hazard Emergency Operations Plans – It requires the multi-hazard emergency operations plans of school districts and public junior colleges to provide for:

- training in responding to an emergency for district employees, including substitute teachers;
- measures to ensure district employees, including substitute teachers, have classroom access to a telephone or another electronic communication devise allowing for immediate contact with district emergency services entities;
- measures to ensure district communications technology and infrastructure are adequate to allow for communication during an emergency;
- a chain of command that designates the individual responsible for making final decisions during a disaster or emergency situations and identifies other individuals responsible if the designated person is unavailable;
- provisions that address physical and psychological safety for responding to a natural disaster, active shooter, and any other dangerous scenario identified by the agency or the Texas School Safety Center;
- provisions for ensuring the safety of students in portable buildings;
- provisions for ensuring that students and district personnel with disabilities are provided equal access to safety during a disaster or emergency situation;
- provisions for providing immediate notification to parents involving a significant threat to the health or safety of students;
- provisions for supporting the psychological safety of students' district personnel and community during the response and recovery phases;

- a policy for providing a substitute teacher access to school campus buildings and materials necessary for the teacher to carry out the duties of a district employee during an emergency or mandatory emergency drill; and
- the name of each individual on the district's school safety and security committee.

It requires school districts that receive a notice of non-compliance to hold a public hearing to notify the public of the non-compliance and submit corrective information. The commissioner can appoint a board of managers to oversee the operations of a district that fails to adopt and implement a multi-hazard emergency operations plan.

Notification Regarding a Bomb or Terroristic Threat – It requires school districts that receive a bomb or terroristic threat to a campus or district facility at which students are present to provide notification of the threat as soon as possible to the parent or guardian of the students.

Emergency Evacuations and Drills – It requires the commissioner, in consultation with the Texas School Safety Center and the state fire marshal to adopt rules providing procedures for evacuating and securing school property during an emergency and designating the number of mandatory evacuation and lockdown drills to be conducted each semester.

Threat Assessment and Safe and Supportive School Team – School districts are required to establish a threat assessment and safe and supportive school team to serve at each campus and requires the team conduct threat assessments and to develop and implement the safe and supportive school program at the campus. The team is prohibited from providing a mental health care service to a student who is under 18 years of age without parental permission. The team is required to report to the superintendent a student or other individual that poses a serious risk of violence to self or others and should act according to the district's prescribed program for students at risk of suicide or students using or possessing tobacco drugs, or alcohol.

Trauma-Informed Care Policy – It requires each school district to adopt and implement a policy requiring the integration of trauma-informed practices in each school environment.

Mental Health Resources – It requires the Texas Education Agency (TEA) to develop a rubric for use by regional education service centers in identifying resources related to student mental health that are available to schools in their respective regions. It requires regional education service centers to use the rubric to identify resources related to student mental health available to schools in the center's region. TEA is required to develop a list of statewide resources available to school districts to address the mental health of students, and revise the list every two years. Prior to each legislative session, TEA is required to report to the legislature on any change the agency has made to the rubric and an analysis of each region's progress toward meeting the agency's goals.

Statewide Plan for Student Mental Health – TEA is required to develop a statewide plan to ensure students have access to adequate mental health resources. TEA is required to use the statewide plan to develop and revise the agency's long-term strategic plan.

School Safety Allotment – It requires the commissioner to provide a school safety allotment to school districts based on average daily attendance and

requires the funds to be used to improve school safety and security including costs associated with:

1. securing school facilities, improvements to school infrastructure, installation of physical barriers, security cameras and equipment and technology including communications systems and devices;
2. providing security for the district by employing security officers and school marshals and collaborating with local law enforcement;
3. school safety and security training and planning; and
4. providing programs related to suicide prevention, intervention, and postvention.

Texas Child Mental Health Care Consortium – It establishes the Texas Child Mental Health Care Consortium to:

1. leverage the expertise and capacity of the health-related institutions of higher education to address urgent mental health challenges and improve the mental health care system in relation to children and adolescents; and
2. enhance the state's ability to address mental health care needs of children and adolescents through collaboration of the health-related institutions of higher education.

The consortium is required to establish a network of comprehensive child psychiatry access centers to provide consultation services and training opportunities for pediatricians and primary care providers operating in the center's geographic region to better care for children and youth with behavioral health needs. The consortium is also required to establish or expand telemedicine or telehealth programs for identifying and assessing behavioral health needs and providing access to mental health care services, with a focus on at-risk children and adolescents.

Child Mental Health Workforce – Funding may be provided to health-related institutions of higher education to fund two full-time psychiatrists who treat children and adolescents to serve as academic medical director at a facility operated by a community mental health provider and two resident rotation positions. Funding can also be provided for a physician fellowship position at health-related institutions of higher education.

Status: *Signed by the governor on June 6, 2019 and took immediate effect.*

SB 54 by Judith Zaffirini (D-Laredo) and Mary Gonzalez (D-El Paso) requires the Texas Education Agency to study appropriate methods and **standards to evaluate the performance** of a student who spends at least 50 percent of the instructional day participating in a **regional day school program for the deaf**.

Status: *Signed by the governor on June 7, 2019 and took immediate effect.*

SB 139 by Jose Rodriguez (D-El Paso) and Joe Moody (D-El Paso) requires the Texas Education Agency to develop a **notice** indicating the change made from 2016 to 2017 in reporting requirements for school districts and charters regarding the special education representation indicator adopted in the Performance-Based Monitoring Analysis System Manual and in plain language, the rights of a child under federal and state law and the process to initiate a referral of a child for evaluation for **eligibility for special education services**. The notice must be provided by school districts and charters to parents of children in the district or school.

Status: *Sent to the governor.*

SB 213 by Kel Seliger (R-Amarillo) and Dan Huberty (R-Humble) extends the sunset date from September 1, 2019 to September 1, 2023 on statutes authorizing the use of **individual graduation committees** and alternative methods to satisfy high school graduation requirements.

Status: *Signed by the governor on May 7, 2019 and took immediate effect.*

SB 232 by Jose Menendez (D-San Antonio) and Diego Bernal (D-San Antonio) requires school districts to notify parents of 9th – 12th grade students that are not required to complete an **Algebra II** course to graduate under the foundation school program on the potential consequences to the student of not completing an Algebra II course including potential impact on eligibility for automatic college admission; and financial aid including the TEXAS grant program and the Texas Educational Opportunity Grant Program.

Status: *Sent to the governor.*

SB 372 by Donna Campbell (R-New Braunfels) and Gary VanDeaver (R-New Boston) authorizes an open-enrollment **charter school** to employ **security personnel** and commission peace officers and to enter into a memorandum of understanding with a law enforcement agency to assign a school resource officer to the school.

Status: *Signed by the governor on June 7, 2019 and took immediate effect.*

SB 435 by Jane Nelson (R-Flower Mound) and Four Price (R-Amarillo) requires local school health advisory councils to recommend appropriate grade level **curriculum** for instruction regarding **opioid addiction** and abuse and methods for administering an opioid antagonist.

Status: *Signed by the governor on May 31, 2019 and took immediate effect.*

SB 522 by Judith Zaffirini (D-Laredo) and Scott Sanford (R-McKinney) requires the **individualized education program for a student with a visual impairment** to include instruction in braille unless the student's admission, review, and dismissal committee determines that braille is not an appropriate literacy medium for the student.

Status: *Signed by the governor on June 4, 2019 and took immediate effect.*

SB 608 by Kirk Watson (D-Austin) and Chris Paddie (R-Marshall) is the sunset bill for the **School Land Board**, which continues the board until 2031.

Status: *Signed by the governor on June 7, 2019 and takes effect on September 1, 2019.*

SB 668 by Bryan Hughes (R-Mineola) and Gary VanDeaver (R-New Boston) makes several changes to the **reporting requirements in the public education system** including:

- requiring the State Board for Educator Certification to make available for each **educator preparation** program statistics regarding the perseverance of beginning teachers in the profession based on information provided through the Public Education Information Management System (PEIMS);

- adopting the federal definition of “student who is homeless” and requiring school districts to list on their Internet website information regarding programs and services to assist **homeless students**;
- eliminating the requirement that school districts and charters make a **requisition for instructional materials** using the online requisition program no later than June 1 of each year;
- eliminating the requirement that the Commissioner of Education be notified when school personnel or volunteers administer an **epinephrine auto-injector**;
- allowing charter holders to provide up to 18-months written notice and submit a request for approval to the Commissioner of Education before **establishing a new open-enrollment charter school** or an expansion amendment;
- requiring the commissioner to notify the superintendent (in addition to the board of trustees) of each school district from which a proposed **open-enrollment charter school** or campus is likely to draw students;
- repealing Section 7.009 of the Education Code, which requires the Legislative Budget Board and the Texas Education Agency (TEA) to establish an online clearinghouse of **information on the best practices** of school districts, campuses, and charters;
- repealing Section 25, 007 (a)(1), of the Education Code which is a legislative finding that **students who are homeless** or in substitute care are faced with numerous transitions during their formative years;
- repealing Section 39.233 of the Education Code requiring TEA to develop standards for evaluating the success and **cost-effectiveness of high school completion** and success and college readiness programs; provide guidance for school districts and campuses in establishing and improving high school completion and success and college readiness; and develop standards for selecting methods for recognizing school districts and campuses that offer exceptional high school completion and success and college readiness programs; and
- repealing Section 44.903 of the Education Code requiring school districts to purchase **energy-efficient light bulbs** for instructional facilities.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 712 by Eddie Lucio, Jr. (D-Brownsville) and Morgan Meyer (R-Dallas) **prohibits** a school district, district employee, volunteer, or an independent contractor of a school district from **applying an aversive technique to a student** unless the technique does not cause the student pain or discomfort, or complies with the student’s individualized education program or behavior intervention plan.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*
Note: this bill also passed as HB 3630.

SB 820 by Jane Nelson (R-Flower Mound) and Morgan Meyer (R-Dallas) requires **school districts** to develop and maintain a **cybersecurity framework** for the securing of district cyberinfrastructure against cyber-attacks and other cybersecurity incidents; and cybersecurity risk assessment and mitigation planning. The framework must be consistent with the information security standards for institutions of higher education adopted by the Department of

Information Resources (DIR). Each school district is required to designate a cybersecurity coordinator who is required to report cyber-attacks or cyber incidents to DIR. The district's cybersecurity coordinator is also required to notify parents of a student enrolled in the school district of a cyberattack or incident.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

SB 869 by Judith Zaffirini (D-Laredo) and Tan Parker (R-Flower Mound) requires the commissioner of the Department of State Health Services to create an ad hoc committee to consult with the commissioner on updating guidelines for the care of **students with food allergies who are at risk of anaphylaxis**. School districts and charters are required to adopt and administer policies for students based on those guidelines.

Status: *Sent to the governor.*

SB 1230 by Paul Bettencourt (R-Houston) and Morgan Meyer (R-Dallas) requires **private schools** to **report** to the State Board for Educator Certification information on **educators** that have a **criminal record**; or that were terminated and there is evidence that the educator abused or otherwise committed an unlawful act with a student or minor or was involved in a romantic relationship with or solicited or engaged in sexual contact with a student or minor.

Status: *Sent to the governor.*

SB 1231 by Paul Bettencourt (R-Houston) and Morgan Meyer (R-Dallas) adds charters and private schools to the requirement for the Department of Family and Protective Services to notify the director of a school if the department opens an investigation into **alleged child abuse or neglect** involving one of the **school's employees**.

Status: *Sent to the governor.*

SB 1276 by Beverly Powell (D-Burleson) and John Frullo (R-Lubbock) requires **agreements** between school districts and institutions of higher education to provide a **dual credit program** to (in addition to other things already required):

- Establish common advising strategies and terminology related to dual credit and college readiness;
- Provide for the alignment of endorsements offered by the district, and dual credit courses offered under the agreement that apply towards those endorsements, with postsecondary pathways and credentials at the institution and industry certifications; and
- Identify tools, including tools developed by the Texas Education Agency, the Texas Higher Education Coordinating Board or the Texas Workforce Commission to assist school counselors, students, and families in selecting endorsements offered by the district and dual credit courses under the agreement.

Status: *Signed by the governor on May 28, 2019 and took immediate effect.*

SB 1374 by Angela Paxton (R-McKinney) and Trent Ashby (R-Lufkin) authorizes school districts to allow a student to enroll **concurrently in Algebra I and geometry**.

Status: *Signed by the governor on May 28, 2019 and took immediate effect.*

SB 1376 by Angela Paxton (R-McKinney) and Jared Patterson (R-Frisco) changes the name of the master reading teacher grant program to the **master teacher grant program** and expands it from reading teachers only to include reading, mathematics, technology, and science teachers; and makes some other non-substantive changes in reporting requirements.

Status: *Signed by the governor on June 4, 2019 and took immediate effect.*

SB 1451 by Larry Taylor (R-Friendswood) and Trent Ashby (R-Lufkin) requires the Commissioner of Education to ensure that a teacher may not be assigned an area of deficiency in an appraisal solely on the basis of **disciplinary referrals** made by the teacher or documentation regarding student conduct submitted by the teacher. It does not prohibit a teacher from being assigned an area of deficiency based on documented evidence of a deficiency in classroom management obtained through observation or a substantiated report.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 1454 by Larry Taylor (R-Friendswood) and Dan Huberty (R-Humble) prescribes **procedures for closing an open-enrollment charter school** and liquidation of funds.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 1476 by Paul Bettencourt (R-Houston) and Ken King (R-Canadian) clarifies that school superintendents are not required to report an **allegation of misconduct by an educator** to the State Board for Educator Certification if the superintendent completes an investigation into the alleged incident and determines that the educator did not engage in the alleged incident of misconduct.

Status: *Sent to the governor.*

SB 1557 by Eddie Lucio, Jr. (D-Brownsville) and Diego Bernal (D-San Antonio) requires the Commissioner of Education to designate a school district campus as a **Purple Star Campus** if the campus applies for designation and takes actions to assist **military-connected students**.

Status: *Signed by the governor on May 28, 2019 and took immediate effect.*

SB 1679 by Royce West (D-Dallas) and John Turner (D-Dallas) clarifies that a child that is eligible for enrollment in a **pre-kindergarten class** at the age of three remains eligible for enrollment at the age of four.

Status: *Signed by the governor on June 4, 2019 and takes effect on September 1, 2019.*

SB 1707 by Eddie Lucio, Jr. (D-Brownsville) and Alma Allen (D-Houston) authorizes school districts and the Texas School for the Deaf to enter into a memorandum of understanding with a local law enforcement agency to provide **school resource officers**.

Status: *Signed by the governor on June 2, 2019 and took immediate effect.*

SB 1746 by Borris Miles (D-Houston) and James White (R-Hilliser) adds **students who have been incarcerated** or have a parent or guardian who has been incarcerated to the definition of students at risk of dropping out.

Status: *Signed by the governor on June 2, 2019 and took immediate effect.*

SB 2018 by Royce West (D-Dallas) and Rafael Anchia (D-Dallas) abolishes **dissolution committees** established to abolish **county boards of education** and transfer the duties to the commissioner's court of the county in which the county board of education is located.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 2073 by Larry Taylor (R-Friendswood) and Ken King (R-Canadian) allows school districts that reduce the number of instruction days for students to give a corresponding reduction of **teacher in-service days**.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 2075 by Angela Paxton (R-McKinney) and Rick Miller (R-Sugar Land) requires the Texas Education Agency to audit and monitor school districts to ensure they are complying with **dyslexia screening and testing requirements**.

Status: *Signed by the governor on June 4, 2019 and took immediate effect.*

SB 2117 by Paul Bettencourt (R-Houston) and Dwayne Bohac (R-Houston) clarifies that a **school district under contract with an open-enrollment charter** school to jointly operate a campus or a campus program during the 2017-2018 school year and under any renewal of that contract, is eligible to receive funding for each student or the portion of each student's school day under the direction of the charter; and it authorizes the Commissioner of Education to adopt rules to determine the portion of funding the school district is entitled to.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

SB 2135 by Beverly Powell (D-Burleson) and Philip Cortez (D-San Antonio) requires law enforcement agencies to provide school superintendents with sufficient information for the school to prepare a threat assessment or safety plan related to a **student who is arrested** including details of the arrest and the acts allegedly committed by the student.

Status: *Signed by the governor on June 4, 2019 and takes effect on September 1, 2019.*

SB 2283 by Donna Campbell (R-New Braunfels) and Harold Dutton (D-Houston) prohibits a person from serving as a **school board member** if the person has been **convicted of a felony**.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

SB 2293 by Pat Fallon (R-Prosper) and Harold Dutton (D-Houston) makes several changes related to **open-enrollment charter schools**. It:

- provides that an open-enrollment charter school is a political subdivision and the officers and members of the governing body of the open-enrollment charter school are considered to be officials of the political

subdivision and employees of the charter school considered to be public employees for purposes of Chapter 617 of the Government Code , which prohibits public employees from entering into a collective bargaining agreement with a labor organization or from engaging in an organized work stoppage against the state or a political subdivision of the state.

- requires the Commissioner of Education to adopt a common admission application form for use by an applicant for admission to an open-enrollment charter school and post the form on the Texas Education Agency Internet website.
- Requires the commissioner to adopt guidelines for an open-enrollment charter school that receives more acceptable applications for admission than available positions at the school to create and manage a waiting list for applicants who are not admitted.
- It requires the commissioner's rules to ensure compliance with federal law regarding confidentiality of student medical and education information including the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Family Educational Rights and Privacy Act of 1974 (FERPA).
- Requires charter holders to annually report by the last Friday in October information for each campus that includes:
 1. The number of students enrolled;
 2. the enrollment capacity; and
 3. if a charter holder uses a waiting list for admission to a campus, the total number of students on the waiting list disaggregated by grade level.
- Requires the commissioner to identify each group of charter holders that are corporate affiliates or related and aggregate the information for each group of charter holders and post the information on the TEA website.

Status: *Sent to the governor.*

SB 2432 by Larry Taylor (R-Friendswood) and Scott Sanford (R-McKinney) requires a **student to be removed from class** and placed in an alternative education program if the student engages in conduct that contains the elements of the **offense of harassment** against an employee of the school district.

Status: *Signed by the governor on June 10, 2019 and takes effect on September 1, 2019.*

WORKFORCE BILLS THAT PASSED 86TH Texas Legislative Session

HB 696 by Cesar Blanco (D-El Paso) and Beverly Powell requires the Texas Workforce Commission to establish and administer the **Operation Welcome Home** program to expedite the entry of veterans and military service members into the workforce through the use of enhanced employment services by building partnerships between military transition centers and local workforce development boards and providing services related to education, career technical training, and entrepreneurship.

Status: *Signed by the governor on June 10, 2019 and took immediate effect.*

HB 700 by Ryan Guillen (D-Rio Grande City) and Beverly Powell (D-Burleson) authorizes businesses receiving help from the **Skills Development Fund** to partner with local workforce development boards. It requires the Texas Workforce Commission to conduct a study on and develop recommendations for:

- increasing the effectiveness of the skills development fund including strategies for better achieving the fund's purposes,
- improving outcomes, and
- expanding participation in the opportunities available through the fund.

The report is due to the governor and legislature by December 1, 2020.

Status: *Sent to the governor.*

HB 714 by Eddie Lucio, III (D-San Benito) and Eddie Lucio, Jr. (D-Brownsville) allows veterans placed on community supervision for a misdemeanor offense to qualify for the **veteran's reemployment program**.

Status: *Signed by the governor on June 2, 2019 and took immediate effect.*

HB 918 James White (R-Hillister) and Nathan Johnson (D-Dallas) requires inmates being released on parole, mandatory supervision, or conditional pardon to receive relevant documentation to assist the inmate in obtaining **post-release employment**, including a copy of the inmate's job training and work records.

Status: *Signed by the governor on June 2, 2019 and takes effect on January 1, 2020.*

HB 1051 by Gary VanDeaver (R-New Boston) and Kirk Watson (D-Austin) makes an **adult education program** provided under a high school diploma and **industry certification charter** school a permanent program instead of a pilot program and would be expanded to include adult students, regardless of the student's age. It requires the program to give priority to a person who has not earned a high school equivalency certificate. And it requires the program to:

- use an instructional model in which at least 75 percent of instruction is delivered by a teacher in an in-person interactive classroom setting; and
- provide support services to students including:
 1. child care at no cost to students;
 2. life coaching services, at a ratio not to exceed one life coach for every 100 students, that use strategic and holistic interventions designed to facilitate graduation planning and assist students in overcoming life obstacles to achieve academic and career goals;
 3. mental health counseling; and
 4. for students with identified disabilities or impairments, instructional support services.

Status: *Sent to the governor.*

HB 1074 by Four Price (R-Amarillo) and Judith Zaffirini (D-Laredo) repeals Section 21.054 of the Labor Code, which allows a preference to be given to participants in a training or retraining program for participants in an affirmative action plan under a federal law, rule, or order; thereby **prohibiting age discrimination in employment training programs**.

Status: *Signed by the governor on May 28, 2019 and takes effect on September 1, 2019.*

HB 1483 by James Frank (R-Wichita Falls) and Charles Perry (R-Lubbock) requires the Health and Human Services Commission to develop a **pilot program** for assisting up to 500 eligible **families to gain permanent self-sufficiency** so that they no longer require financial assistance, supplemental nutrition assistance, or other means-tested public benefits.

Status: *Signed by the governor on May 27, 2019 and took immediate effect.*

HB 1949 by Ryan Guillen (D-Rio Grande City) and Judith Zaffirini (D-Laredo) establishes enrollment and performance benchmarks for qualification for **adult education and literacy program performance incentive funds**. The benchmarks must include:

- the enrollment in a high school equivalency program or a postsecondary ability to benefit program of at least 25 percent of all students receiving adult education and literacy services for the entity during that program year; and
- the achievement by the end of that program year of a high school equivalency certificate or a postsecondary certificate by at least 70 percent of those students who exit the entity's adult education program during that program year and who are enrolled in a high school equivalency program or a postsecondary ability to benefit program.

Status: *Sent to the governor.*

HB 2784 by Dade Phelan (R-Nederland) and Carol Alvarado (D-Houston) establishes the **Texas Industrial Workforce Apprenticeship Grant Program** administered by the Texas Workforce Commission to address the immediate industrial workforce needs of the state resulting from the impact of Hurricane Harvey and overall workforce shortages by encouraging the private sector to develop specialized industry-recognized apprenticeship programs. The program is designed to:

- provide on-the-job training, preparatory instruction, supplementary instruction, or related instruction in an occupation that has been recognized as an apprenticeable occupation by the Office of Apprenticeship of the United States Department of Labor; or
- is certified as an industry-recognized apprenticeship program by a third-party certifier that has received from the United States Department of Labor a favorably determination of qualification to award that certification.

To qualify for the program an entity must operate an industry-recognized apprenticeship program that:

- provides on-the-job training under an industry-recognized, accredited training curriculum;
- guarantees employment for participants during and on successful completion of the training period;
- pays each participant a wage and provides eligibility for participants to receive full-time employee benefits during and on successful completion of the training period;
- requires participants to advance their skills, at a minimum, to a credentialed, performance-verified mid-level status in a field related to the industry-recognized apprenticeship program;
- has a duration of not more than 26 weeks; and

- gives preference to training and hiring unemployed Texans, veterans of the U.S. armed forces, formerly incarcerated individuals; and underemployed individuals who are working without industry-recognized certifications or other credentials.

Status: *Sent to the governor.*

HB 3511 by Gary VanDeaver (F-New Boston) and Carol Alvarado (D-Houston) establishes the Commission on **Texas Workforce of the Future** to engage business, state agencies, and local workforce system partners in the efforts of state and local authorities to build the state's workforce talent pipeline.

Commission Membership – The commission is composed of 17 members including:

- Five members appointed by the governor;
- Four members appointed by the lieutenant governor;
- Four members appointed by the speaker;
- The commissioner of higher education or the commissioner's designee;
- A commissioner of the Texas Workforce Commission or the commissioner's designee
- The commissioner of education or the commissioner's designee; and
- The chair of the Teas Economic Development Corporation.

The members appointed by the governor must have an interest in the future of the state's workforce, at least one must be a member of a statewide labor federation. The governor must consider appointing a business leader representing each of the following industries:

1. Oil and gas;
2. Technology and manufacturing;
3. Health care;
4. Construction; and
5. Petrochemicals.

The appointments by the lieutenant governor must include:

1. Two members of the senate;
2. An administrator in a kindergarten through 12th grade public school system or an elected member of the board of trustees of a school district; and
3. The superintendent of an adult education program provided under an adult high school and industry certification charter school program or the superintendent's designee.

The appointments by the speaker must include:

1. Two members of the House;
2. A representative of a high school dropout recovery adult education program serving students who are between the ages of 18 and 25 or a public school superintendent who oversees a high school dropout recovery adult education program; and
3. An administrator of a public community or technical college or a public university.

The presiding officer must be a business executive appointed by the governor.

Commission Recommendations - It requires the commission to make recommendations on issues including:

1. Strengthening public-private partnerships that connect people with careers and employers with skilled talent;

2. Improving regional coordination and alignment between industry, the public workforce system, public schools, higher education institutions, and community-based organizations to create college and career pathways that lead to good jobs;
3. Attracting, educating, developing, and placing workers in high-demand industry sectors;
4. Addressing the current and future skills gap across the state economy and identifying statewide initiatives to enhance cross-sector collaboration, communication, and alignment;
5. Identifying incentives to encourage cooperation between sectors that fosters innovative approaches to meet the current and future workforce demands;
6. Increasing the number of work-based learning opportunities in the state and the availability of those opportunities, including for persons experiencing barriers to employment and who are historically underrepresented in high-growth, high-wage industries, including in small and midsize companies;
7. Developing a comprehensive plan for phasing in, beginning with the 2021-2022 school year, an expansion of the adult high school and industry certification charter school program as a strategy for meeting industry needs for a sufficiently trained workforce within the state; and
8. Recommending statutory changes to the laws governing the public workforce system, public education, and higher education to enhance career path options and ensure long-term collaboration with industry.

Work Groups – The commission is required to establish one or more work groups composed of no more than five members of the commission to study, discuss, and address specific policy issues and recommendations to refer to the commission for consideration; and requires each work group to include at least two representatives from the business community.

Report – The commission is required to submit its report and recommendations to the governor and legislature by December 31, 2020.

Status: *Sent to the governor.*

SB 1055 by Judith Zaffirini (D-Laredo) and John Frullo (R-Lubbock) requires the Texas Workforce Commission, in consultation with the Texas Education Agency, to establish a **workforce diploma pilot program** to under which eligible high school diploma-granting entities participating in the program may be reimbursed for successfully assisting adult students to obtain a high school diploma and develop technical career readiness skills and employability.

Achievement Milestones – Subject to available funds, the milestones by students receiving services from each approved provider participating in the program are:

1. \$250 for the completion of a half credit;
2. \$250 for the completion of an employability skills certification program equal to at least one credit or the equivalent;
3. \$250 for the attainment of an industry-recognized credential requiring not more than 50 hours of training;

4. \$500 for the attainment of an industry-recognized credential requiring at least 50 but not more than 100 hours of training;
5. \$750 for the attainment of an industry-recognized credential requiring more than 100 hours of training; and
6. \$1,000 for obtainment of a high school diploma.

Status: *Signed by the governor on May 22, 2019 and takes effect on September 1, 2019.*

SB 1413 by Judith Zaffirini (D-Laredo) and Hubert Vo (D-Houston) **consolidates the reports** that the **Texas Workforce Commission** is required to submit to the governor and legislature into one annual report. Reports to be consolidated include:

- Federal Trade Adjustment Assistance report;
- Texas Career Opportunity Grant Program report;
- College Credit for Heroes report;
- Skills Development Fund report; and
- Purchasing from People with Disabilities report

Status: *Signed by the governor on May 28, 2019 and takes effect on September 1, 2019.*

SB 2038 by Jose Rodriguez (D-El Paso) and Art Fiero (D-El Paso) requires the Texas Workforce Commission to prepare a report that identifies potential funding sources for **occupational skills training programs for individuals with intellectual and developmental disabilities**; and specific occupations in high-demand industries for which a certification, occupational license, or other workforce credential is required that may be appropriate for individuals with intellectual and developmental disabilities.

Status: *Signed by the governor on May 31, 2019 and takes effect on September 1, 2019.*

