SECTION 8. Section 245.0535(i), Human Resources Code, is amended to read as follows:

(i) Not later than December 31\(^{[4]}\) of each even-numbered year, the department shall deliver a report of the results of research conducted or coordinated under Subsection (h) to the lieutenant governor, the speaker of the house of representatives, and the standing committees of each house of the legislature with primary jurisdiction over juvenile justice and corrections.

SECTION 9. Section 261.051(b), Human Resources Code, is amended to read as follows:

(b) A person appointed as independent ombudsman is eligible for reappointment [but may not serve more than three terms in that capacity].

SECTION 10. Section 411.137, Government Code, is repealed.

SECTION 11. This Act takes effect September 1, 2013.

Passed by the House on May 7, 2013: Yeas 142, Nays 3, 2 present, not voting; the House concurred in Senate amendments to H.B. No. 2733 on May 24, 2013: Yeas 145, Nays 0, 2 present, not voting; passed by the Senate, with amendments, on May 22, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.

Effective September 1, 2013.

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CHAPTER 1034

H.B. No. 2766

AN ACT

relating to the exclusion of certain flow-through funds in determining total revenue for purposes of the franchise tax.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Section 171.1011(g), Tax Code, is amended to read as follows:

(g) A taxable entity shall exclude from its total revenue, to the extent included under Subsection (c)(1)(A), (c)(2)(A), or (c)(3), only the following flow-through funds that are mandated by contract or subcontract to be distributed to other entities:

1. sales commissions to nonemployees, including split-fee real estate commissions;
2. the tax basis as determined under the Internal Revenue Code of securities underwritten; and
3. subcontracting payments made under a contract or subcontract entered into handled by the taxable entity to provide services, labor, or materials in connection with the actual or proposed design, construction, remodeling, remediation, or repair of improvements on real property or the location of the boundaries of real property.

SECTION 2. This Act applies only to a report originally due on or after the effective date of this Act.

SECTION 3. This Act takes effect January 1, 2014.

Passed by the House on May 2, 2013: Yeas 147, Nays 0, 2 present, not voting; passed by the Senate on May 21, 2013: Yeas 31, Nays 0.

Approved June 14, 2013.

Effective January 1, 2014.