Summary of Major Legislation

72\textsuperscript{ND} Legislature
2\textsuperscript{ND} Called Session

August 1991
Congressional Redistricting

House Bill 1
by Representative Uher
Senate sponsor: Senator Johnson

△ Establishes 30 congressional districts, each with 566,217 people.

△ Establishes three new districts made possible by population gains since 1980: a majority Black district in Dallas and majority-Hispanic districts in South Texas and Harris County.

△ Creates nine predominantly minority congressional districts and at least two minority impact districts.

△ Gives Bexar County a fourth congressional seat.

△ Keeps Fort Worth’s Black community together in a single district.

Board of Education Redistricting

Senate Bill 2
by Senator Glasgow
House sponsor: Representative Uher

△ Brings the 15 State Board of Education (SBOE) districts into compliance with one person-one vote standards.

- Each state board member represents about 1.3 million Texans.

△ Maintains the current minority representation with two Black and three Hispanic districts.

△ Takes effect beginning with the general election in 1992 to fill the terms on the board that begin January 1, 1993.
Expands correctional bed capacity by 25,300, including 12,000 substance abuse treatment beds.

Authorizes issuance of up to $1.055 billion in general obligation bonds for acquiring, constructing, and repairing or renovating corrections facilities.

Appropriates $672.1 million to the Department of Criminal Justice for the two-year period beginning on the date bond proceeds are available.

Raises the limit on private or county correctional facilities to 1,000 beds, and requires smaller facilities now in operation to receive commissioners court approval to increase capacity.

Requires the TDCJ Board to contract for the operation of 2,000 beds to be built from bond proceeds and raises the limit on contracted beds to 4,000.

Authorizes board to contract with public and private jails or with alternative facilities for the temporary or permanent housing of inmates.

Requires $2 million of TDCJ appropriations to fund a juvenile boot camp in Harris County.

Alleviates county jail crowding and adopts measures to settle related county suits against the state.

Establishes a state-paid housing fee and transfer schedule for sentenced prisoners held in county jails.

Commits the state to transfer all sentenced prisoners from county jails within 45 days as of September 1, 1995.

Relieves prison crowding through treatment and diversion programs and administrative measures.

Directs TDCJ to develop, in cooperation with the Commission on Alcohol and Drug Abuse, a drug abuse treatment program and provide 12,000 beds for its operation.

Speeds up the implementation of a comprehensive statewide program for chemically dependent persons, including offenders, that was mandated during the
72nd Legislature, Regular Session.

- Allows probation and parole officials, assisted by schools, colleges and universities, to establish a developmental program to assess and enhance inmates' educational and vocational skills.

- Authorizes judges to require unemployed probationers to provide up to 32 hours per week of community-service work.

- Establishes special-needs parole for certain prisoners who are elderly, physically handicapped, mentally ill, terminally ill, or mentally retarded, and who do not constitute a threat to public safety.

- Creates a program to reward counties that successfully divert offenders from state facilities.

- Requires prosecutors to receive instruction in diversion programs.

- Expands inmate eligibility for the Parole Division's Work Program Facility.

- Allows for commitment of technical violators of probation to community corrections programs.

- Expands pool of parole-eligible inmates in prison and county jails and requires cooperation among county and state officials in identifying eligible inmates.

- Establishes a Punishment Standards Commission to study and make recommendations for changes in sentencing laws.

- Reorganizes the Criminal Justice Policy Council and requires it to assist the Punishment Standards Commission.

- Adds number of parolees as a factor in the prison allocation formula.

- Authorizes the TDCJ Board to develop rules governing the number of out-of-state or federal prisoners in Texas county jails.

- Equalizes and simplifies good time awards to inmates.

- Requires regular audits of county jails.

- Provides assistance in acquiring federal grant funds to criminal justice agencies.
Criminal Justice, cont'd

- Improves the quality and quantity of information on offenders available to officials.

- Requires the acquisition and retention of additional information on offender offense histories.

- Expedites the implementation of the computerized criminal information system.

- Requires pre-sentence investigation reports in all felony cases.

- Requires counties to provide prison and parole officials with presentence investigation reports and other data on inmates transferred to prison.

- Assists counties in their efforts to develop community-based corrections.

- Exempts local property tax increases to fund criminal justice mandates from roll back.

- Requires public hearings before expanding a community corrections program.

- Permits employers participating in the Parole Division's Work Program Facility to pay parolees workers' compensation.

- Provides protection from liability for community corrections personnel, except for negligence.
Incentives for Manufacturing

by Senator Glasgow
House sponsor: Representative Gib Lewis

Δ Authorizes the Texas Department of Commerce (TDOC) to develop and plan programs to promote the location and expansion of major industrial and manufacturing enterprises in Texas.

Δ Creates the Texas Major Employer Development Corporation (TMEDC), a non-profit development corporation, to issue 40-year revenue bonds for major industrial and manufacturing projects.

- Bond proceeds would be used to purchase land and construct and equip a facility that would be leased to the McDonnell Douglas Aircraft Manufacturing Plant, or to other industrial or manufacturing entities.

- The bonds would be paid off with revenue from the lease.

Δ Requires the revenue bonds issued by the TMEDC to be payable solely from the revenues pledged for that purpose, and that the bonds do not represent a legal or moral obligation of the state.

Δ Prohibits bonds from being issued without approval from the TDOC, the Bond Review Board and the Attorney General.

Δ Requires TMEDC to make a good faith effort to assist disadvantaged businesses in obtaining at least 10 percent of the value of each construction contract award.
Department of Commerce

by Senator Glasgow
House sponsor: Representative Berlanga

△ Authorizes the Governor to appoint the executive director of the Texas Department of Commerce (TDOC).

△ Re-creates the governing board of the TDOC as the policy board.

△ Transfers administration of the Community Development Block Grant program to the Department of Housing and Community Affairs.

△ Allows the TDOC to continue to designate businesses as enterprise projects to allow sales tax and franchise tax refunds, provided the level of employment is maintained for three years.

△ Transfers film and music functions to the Governor’s Office.

△ Modifies the state’s allocation system for private activity bonds to increase the limit for “state-voted” bond issues, and to provide a ceiling for multi-family housing projects.
College Loans

Senate Joint Resolution 2

by Senator Barrientos

House sponsor: Representative Cavazos

 Allows the legislature to authorize the Coordinating Board to issue $300 million in general obligation bonds for the purpose of financing student loans contingent on passage of a constitutional amendment

• The constitutional amendment will be submitted to the voters November 5, 1991

Senate Bill 20

by Senator Barrientos, et al.

House sponsor: Representative Cavazos

 Allows the Texas Higher Education Coordinating Board to issue general obligation bonds for Hinson-Hazelwood student loans.

• Implements the provisions of SJR 2 (above), providing for an annual limit of $100 million.
Stadium Alcohol Sales

by Senator Glasgow

House sponsors: Representatives Wilson, et al.

△ Allows large stadiums to expand their alcoholic beverage permits to include the entire stadium.

△ Allows beer and wine to be sold at Texas Stadium in Irving.
  • Validates the results of the recent Irving referendum.

Property Tax Board Transfer

by Senator Armbrister

House sponsor: Representative Seidlits

△ Transfers the State Property Tax Board’s remaining duties, functions, authorities and assets to the Comptroller’s Office.

  • Includes rule-making for appraisal districts and tax offices, as well as assistance to taxpayers and tax professionals.

  • Includes inspection of records and materials of appraisal offices and taxing units.

  • The Board’s primary function, that of setting tax values for all school districts in the state, has already been transferred to the Comptroller as of September 1, 1991.

△ Gives the Comptroller the authority to inspect all relevant records and materials in the possession or control of a consultant, advisor or expert hired by an appraisal office or taxing unit for establishing or evaluating the value of any property.
Continues the State Purchasing and General Services Commission under the name "General Services Commission" (GSC), until September 1, 1993.

- Expands the board from three to six members.
- Requires the GSC to remove a vendor's name from the agency bidder list for up to one year if the department receives repeated complaints about the vendor.
- Raises the dollar value of delegated purchases by state agencies that would not have to be made through GSC from $500 to $5,000.
- Requires state agencies making purchases over $5,000 to solicit bids from all eligible vendors on the agency's bidding list.
- Raises dollar amount for purchase that would not require competitive bidding from $100 to $1,000.
- Requires the GSC to give preference to energy efficient products that meet specifications and cost the same or less than similar products.

Authorizes the GSC to set the minimum amount of time by which state agencies and school districts would have to convert certain vehicles using traditional engines to use compressed natural gas or other fuels.

Requires the GSC to adopt rules for the structure of travel agency services and related contract requirements.

- Executive branch agencies would be required to participate in state-contracted rates for travel services.
- Institutions of higher education would be exempt from having to use travel agencies under state contract.
- The State Travel Management Program would be prohibited from entering into a single, statewide contract for travel agency services.
- Other agencies may be exempted from participation by rule.
Authorizes public universities to provide TEX-AN state telephone services to students in university-owned housing on a cost-recovery basis. Participation by a university would be optional.

Prohibits the GSC from negotiating pre-approved contracts for telecommunications and automated information systems equipment without the concurrence of the Department of Information Services.

- TEX-AN equipment would be an exception.

Transfers the employees, duties, functions, properties and funds of the Capitol Security Police Division from the GSC to the Texas Department of Public Safety.

Transfers the program for eliminating architectural barriers from the GSC to the Texas Department of Licensing and Regulation.

- Makes changes to conform to the Americans with Disabilities Act of 1990.

Transfers responsibility for the state property accounting system from the GSC to the Comptroller.

Requires the Texas Public Finance Authority to promptly issue, sell and deposit bond proceeds for projects approved by the Legislature.

Establishes that state buildings can only be named after deceased persons whose lives were significant to the state.

- GSC proposals to name or re-name buildings would have to be approved by a concurrent resolution of the Legislature signed by the Governor.
MHMR & Youth Corrections

House Bill 64
by Representative Vowell

Senate sponsors: Senators Brooks, et al.

- Authorizes up to $50 million in general obligation bonds for youth corrections facilities and makes appropriations to the Texas Youth Commission and the Texas Department of Mental Health and Mental Retardation.

- Authorizes the Texas Public Building Authority to issue up to $50 million in general obligation bonds for youth corrections facilities.

- Appropriates $40,675,352 in bond proceeds to the Texas Youth Commission for specific projects.

- Appropriates $35,380,781 in bond proceeds authorized by H.B. 7 and S.J.R. 4, 72nd Legislature, 1st called session, to the Texas Department of Mental Health and Mental Retardation.

- Repeals $35,380,781 in appropriations made by H.B. 1, 72nd Legislature, 1st called session, to the Texas Department of Mental Health and Mental Retardation and $40,675,352 in appropriations to the Texas Youth Commission.
Δ Allows the state to sell as much as $300 million in revenue bonds to set up a state-run workers' compensation fund that would provide coverage to employers rejected by private insurers. The state fund would take over the market for coverage of these high-risk employers by 1994.

Δ Gradually replaces the Workers' Compensation Insurance Facility with the Texas Workers' Compensation Insurance Fund, a state fund that would offer workers' compensation coverage.

Δ Allows the state fund to issue up to $300 million in revenue bonds.

- The bonds would be secured by a maintenance tax on gross workers' compensation premiums, charged to each workers' compensation insurer, self-insurer and the state fund.

- The tax rate would be set by the insurance board.

- The bond proceeds could be used to establish the initial surplus of the fund, maintain reserves, pay initial operating and issuance costs and other costs determined by the board.

Δ The state fund would receive an initial $5 million transfer from the insurance board operating fund.

Δ The state fund would repay the board operating fund the $5 million out of bond proceeds.

Δ Allows the state fund to refuse to sell coverage to employers who are credit risks and could not pay in advance the total estimated premium or provide security for payment.

Δ Requires employers with a poor safety record that are in the rejected risk fund or insured under the state fund to obtain a safety consultation.

Δ Establishes an administrative violation for a person who intentionally or knowingly falsifies, conceals, alters or destroys information when obtaining workers' compensation coverage; the violation would carry a fine of up to $5,000.

Δ Provides that provisions in current law regarding the prompt payment of claims
would not apply to workers' compensation and mortgage guaranty insurance.

- Allows insurers to set their own rates for workers' compensation coverage, subject to disapproval by the insurance board.

- Establishes minimum standards for long-term care insurance.

- Provides that failure or refusal of a motor vehicle operator to furnish proof of insurance would constitute a presumption that the operator violated the requirement that no motor vehicle be operated without a minimum amount of automobile liability insurance.

- Makes various revisions in Medicaid supplement regulation to comply with federal law.

- Prohibits insurers from filing new rates more than once every six months.

- Policies written between the rate-change date and July 1, 1993, could not charge premiums over 15 percent greater than the 1991 rates set by the insurance board.

- Policies written on or after July 1, 1993, could not charge premiums over 30 percent greater than the premium rates for 1991.

- Allows the commissioner of insurance to designate a deputy receiver to contract out the duties of the liquidator/receiver's office.

- Establishes that regulation of credit insurance lines would extend to policies with a loan or transaction period of 10 years or less, rather than 5 years.

- Limits the coverage for chemical dependency to three series of treatments per individual.

- Allows the department to charge a $100 filing fee to health and accident and life insurance agent applicants for temporary licenses (which allow the agent applicant to issue policies for 90 days without having to pass the required written exam).

- Requires life insurance agent applicants to include in their applications proof that the required examination has been successfully completed and passed. Requires the department to charge an examination fee of $20 per exam.
Fish Farms & Aquifers

Senate Bill 19
by Senator Krier
House sponsor: Representative Schoolcraft

- Eliminates a provision that exempts fish farms from state regulations that prohibit wasting water.

- Imposes a moratorium from September 1, 1991 to January 1, 1994, on drilling and operating artesian water wells that flow more than 5,000 gallons per minute.
  
  - The Texas Water Commission (TWC) would be able to grant exemptions if a large well is needed for health or the environment.
  
  - Agricultural uses of water that are "beneficial" would be exempt.

- Calls for a study by the TWC on the use of water flowing from artesian wells, including that used in aquacultural operations such as fish farms.
Significant Senate Bills passed during the 72nd Legislature, Regular Session, 1991, relating to Health and Human Services.

HEALTH AND HUMAN SERVICES

S.B. 112 (MONCRIEF) This bill clarifies the role of state government and local mental health and mental retardation authorities in the provision of community mental health and mental retardation services. It provides for the reorganization of the structure governing the establishment of community centers by local mental health and mental retardation authorities and the provision of community mental health and mental retardation services. The bill provides for: improved accountability of community center board members and employees; strengthens the relationship between community centers and local appointing agencies; strengthens the relationship between community centers and the Texas Department of Mental Health and Mental Retardation; and provides for accountability in community center business practices.
EFFECTIVE DATE: 9-1-91 MENTAL HEALTH & MENTAL RETARDATION

S.B. 307 (CARRIKER) The commissioner of health is the executive head of the Texas Department of Health (TDH), and performs statutory duties as well as those assigned by the Board of Health. That position which has existed under various titles since 1879, has always been filled by a licensed physician, as required by statute. Sixteen other states do not require their commissioners of health to be licensed physicians. S.B. 307 requires the commissioner of public health to have at least five years of experience in the administration of public health systems, and allows the Texas Board of Health (board) to employ a person other than a physician as the commissioner. Requires the board, if it employs a commissioner who is not a physician, to designate a licensed physician as chief medical executive. This bill also allows the supplement the commissioner’s salary.
EFFECTIVE DATE: 6/16/91 HEALTH--GENERAL

S.B. 377 (CARRIKER) The Sunset Advisory Commission has determined that the Long-term Care Coordinating Council for the Elderly, created in 1983 to encourage coordinated planning of long-term care plan, has not fulfilled its role as an effective forum for long term care issues. The council has not met since November 1989 and, due to the lack of a quorum, no formal business was conducted. In addition, the council has not updated the long term care state plan since 1986, nor has it provided any recent policy recommendations to the legislature. S.B. 377 abolishes the Long-Term Care Coordinating Council for the Elderly and transfers its duties to the Texas Department on Aging (department). In addition the bill: requires the department to continuously review and update the long-term care state plan and report on its status every two years to the governor and the legislature; and requires the department, the Texas Department of Human Services, the Texas Department of Health, and the Texas Department of Mental Health and Mental Retardation to adopt a memorandum of understanding (MOU) by January 1, 1992, and to review the MOU no later than the last month of each fiscal year.
EFFECTIVE DATE: 9-1-91 AGING

S.B. 381 (MONCRIEF) The Council on Disabilities (council) was created by the 68th Legislature in 1983 to promote the development and coordination of statewide policies, programs, and
services for persons with disabilities. The statutory duties of the council include overseeing the state's long range plan for persons with disabilities, making recommendations to the legislature for modifications of laws and encouraging the compilation and publication of these laws, and promoting a demographic survey of the disabled population. The Sunset Advisory Commission reports that the council's projects are progressing slowly if at all. The demographic survey has never been conducted because of a lack of funding by the legislature. Legislative recommendations—updating the long-range plan and compilation and publication of pertinent laws—have been continuously impeded because of the council's inability to achieve a quorum at its meetings. Its membership of 23 requires 12 members presence for a quorum. The functions of the council are similar to and many times overlap with those of the Governor's Committee for Disabled Persons. S.B. 381 abolishes the Council on Disabilities and transfers its functions to the Governor's Committee for Disabled Persons.

**EFFECTIVE DATE:** 9-1-91

**GOVERNOR**

**S.B. 478** (BARRIENTOS) The nine-member governing board of the Texas State School for the Deaf has been required to consist of three deaf persons, three parents of deaf persons, and three persons experienced in working with deaf persons. S.B. 478 requires that five board members be deaf, and requires the board to consist of: three deaf persons, one being an alumnus of the Texas School for the Deaf; three parents of deaf persons, one being deaf; and three persons who are experienced in working with deaf persons, one being deaf.

**EFFECTIVE DATE:** 9/1/91

**EDUCATION—PRIMARY & SECONDARY-SPECIAL**

**S.B. 865** (JOHNSON) Provides a uniform and clarified system of licensing for personal care facilities. Licensing responsibility of all such facilities is vested in the Department of Health, and memoranda of understanding are required among the Department of Health, Department of Human Services, and the office of the Attorney General. The Department of Health is granted investigation and enforcement authority.

This bill also requires the development of a consumer's guide to personal care facilities, as well as the adoption of both a residents' bill of rights and a providers' bill of rights. It also establishes a pilot ombudsman program in the Department of Aging, and authorizes The University of Texas Health Science Center to conduct a survey of personal care facilities.

**S.B. 1341** (PARKER) Expands the regulation of persons engaged in removing, disturbing, encapsulating, or enclosing asbestos, in order to bring Texas law into compliance with federal rules and regulations. This bill also includes provisions for disciplinary actions and penalties, requires development of instruction standards, and establishes an advisory committee.

**S.B. 1531** (BROOKS) The medicaid disproportionate share program was created by Congress to provide additional Medicaid funds to hospitals that provide unusually large or "disproportionate" amounts of uncompensated care. The local contribution to the fund was set at one percent of the hospital district's total local ad valorem taxes. That local contribution is complemented by general revenue funds from specific state teaching hospital

This bill increases from one to five percent the share of ad valorem taxes that certain hospital districts—those that have a bed capacity equal to or above the 84th percentile of hospitals
participating in the Medicaid program in this state—are required to transfer to the Medicaid disproportionate share fund. It also increases from $525,000 the amount that The University of Texas Cancer Center is required to transfer to the Medicaid disproportionate share fund, and from $1,630,000 to 8,150,000 the amount that The University of Texas Medical Branch at Galveston is required to transfer to the Medicaid disproportionate share fund.