



SENATOR

**Royce West**

*Proudly Representing the 23<sup>rd</sup> District of Texas*

**WEEKLY AUSTIN REPORT**

**MAY 30, 2009**

**Dear Friends:**

It's a Wrap. Well, almost. We are pressing through the final days, hours and minutes of the 81st Legislative Session with due diligence and determination.

This week started with long hours of debate on the Top 10 Percent law in the House and the outcome was a bill different from what was voted out of the Senate. Compromise seems imminent.

The week continued with marathon work on the Senate floor to get previously passed Senate bills amended to House bills that were before the legislators.

The late hours saw a rebirth of legislation to extend the Children's Health Insurance Program (CHIP) and to reduce the margin tax liability for small businesses, to name a few.

The subject of Public School Finance was once again the elephant in the room. Several different proposals were filed and debated during the session. These morphed into a Senate version of HB 3646 which includes a proposed teacher pay raise.

On some occasions, a bill may sail through the process with virtually no opposition, as was the case for HB 2521. This bill requires state agencies to give first preference to Texas-based media production companies when contracting for media campaigns.

Other Legislative efforts span across multiple sessions before finally becoming state law. One such example is SB 1448, which provides a new tool to renters who seek essential repairs of unsafe conditions in their apartments. This bill was filed, but failed, last session and was the subject of an interim study last year. I filed the bill again this session and it was signed by the Governor this week.

Other bills have been resurrected and will continue to be discussed and debated throughout the weekend until their fate is decided. When the dust settles on Monday, only a portion of the original, filed bills will remain. Consequently, our work must continue through the interim and into the next legislative session.



## TOP 10 PERCENT LAW UNDER CONSTRUCTION

Over the years, I have fought hard to preserve the **Top 10 Percent law**, which guarantees college admittance to those who graduate in the Top 10 percent of their high school class, because it gives our children an incentive to succeed; it gives them hope.

Various colleagues sought to tweak this law and I was committed to working with them and with University of Texas President Bill Powers to continue this worthwhile program.

Senate Bill 175 left the Senate, in mid-April, with a 50% cap on the number of students automatically admitted to the freshman class. A holistic review process would determine the admittance of the remaining 50%.

The bill was debated in the House this past Monday with 59 amendments being offered. The amendments that were added to the bill created a vastly different bill than the one that passed from the Senate.



The House version capped the automatic admissions at 75% of the entering freshman class, barred preferences based on "legacy" for consideration of admittance, limited out-of-state residents to comprise no more than 10% of the freshman class at UT and added a six-year review clause. Saturday afternoon, the Senate agreed to adopt House recommendations.

## BURNING THE MIDNIGHT OIL

The Senate worked well into and past the midnight hour this week to resurrect legislation that died in the House. Countless hours were spent by Senators and their staff looking for bills now in the Senate or House that had already passed the Senate, to amend imperiled legislation onto.

Some 80 bills were approved by the Senate before the deadline.



Many important pieces of legislation found new life during this process including a **margin tax bill** that offers a significant tax cut for thousands of Texas' small business owners. The bill raises the minimum floor for the gross margins tax from \$300,000 to \$1,000,000 for two years.

The significance of the legislation is that businesses that gross less than a million dollars annually would be exempt from the franchise tax for the next two years. The floor would be permanently set at \$600,000 after the two-year exemption.

Another important piece of legislation with hopes of rebirth is the **Children's Health Insurance Program (CHIP)**. Senate Bill 841 would expand CHIP Coverage to thousands of families who do not have access to health insurance.

While the original Senate Bill died during the House slowdown earlier this week, it was amended onto another bill that would be heard in the Senate. At this writing, negotiations continue.

The remaining hours until the end of the Legislative Session on June 1 will be spent in conference committee attempting to settle differences on bills between the Senate and House that have been amended, some, maybe not to the author's pleasure.

The conference committee allows for compromise, negotiation and hopefully resolution to the differences found in amended bill language.

## PUBLIC SCHOOL FINANCE

Even after the many recent Special Sessions, Public School Finance was revisited during the 81st. This past Tuesday, the Senate passed HB 3646 which would direct **more money to school districts** and authorizes a **pay raise for teachers**.

The Senate substitute for the bill injects some \$1.9 billion into the State's education budget. Districts would receive more funding through an increase to the per student weighted daily allotment, adding an additional \$135. This would raise the per student allocation to \$4,750 in formula funding.

**Career and technology** was a "hot button" topic this session with many students opting to enhance their knowledge and marketability by taking career and technology courses. The daily allotment for these types of courses would be increased by \$50.

The bill also calls for **increased compensation for teachers** by funding a pay raise of about \$800 which schools would be required to provide. Teacher groups and educational experts advocated for pay raises rather than more incentive programs thus, the bill eliminated the Texas Educator Excellence Grants (TEEG), but keeps intact the District Awards for Teacher Excellence (DATE). The differences found in House and Senate versions of HB3646 will also be negotiated in conference committee.

During the interim, a study has been commissioned to address the system of school finance. The study's objective will be to provide suggestions for a comprehensive system overhaul.



## Lights ... Camera ... Action!

Generally, state policies encourage governmental entities to purchase goods and services from Texas vendors. Still, some state agencies actively seek commercial production and advertising services from companies outside Texas.

As a result, millions of dollars in commercial production projects are lost to other states. Texas has been losing high-paying jobs, economic activity, and tax dollars as a result.

To prevent Texas from losing this business to other states, I sponsored House Bill 2521. When conducting advertising campaigns involving the creation and production of a commercial, this bill requires all state agencies to give preference to media production companies based in Texas. This bill will create numerous job opportunities and economic development in Senate District 23 and throughout Texas.

HB 2521 passed both chambers with no opposition and will become effective on September 1, 2009.



## JP Courts now Available to Tenants Needing Repairs

It took two sessions and an interim study by the Senate Committee on Intergovernmental Relations, but finally, we succeeded in passing a new law to help tenants seeking essential repairs to their homes.

SB 1448 by West was signed by the Governor on May 27 and becomes effective across the state on January 1, 2010.

The law permits tenants to file suit in Justice of the Peace courts when a condition arises that violates health and safety law.

Justice Courts are more accessible for most Texans and do not require the expense of hiring an attorney or paying excessive court fees.

The law guarantees quick action (from six to ten days after filing) and the JP Courts are given authority to order repairs.