

80th Texas Legislative Session



State Representative Charlie Howard

House District 26

Budget Calls for No New Taxes

HB 1 - The 2008-2009 biennium budget, totaled just over \$152 billion, an increase of only 3.5 percent per year.

★ Compared to the state's population growth and the rate of inflation, this increase represents a fiscally conservative use of taxpayers' money.

Sunlight on Government Spending

- ★ HB 3430 – Mandates an online, searchable state spending database to provide transparency in government spending.



Fiscally Sound Budgeting

Meets Texan's Priorities

★ Buying down property taxes

Keeping the promise to cut property taxes.

Extends property tax relief to senior citizens.


★ Sets surplus aside for the future

\$2.5 billion in unspent dollars PLUS

\$4.3 billion set aside for Rainy Day Fund




Franchise Tax Reform

- HB 3928 allows a simplified alternative tax for entities with \$10 million or less in total revenue, by allowing them to multiply gross receipts by .575%.

-  HB 3928 keeps the small business exemption from being taxed if their revenue is less than \$300,000, adds a percentage discount from tax liability for small businesses based on the amount of total revenues as follows:

Total Revenue	% discount of tax liability
\$0 - \$300,000	100%
\$300,000 - \$400,000	80%
\$400,000 - \$500,000	60%
\$500,000 - \$700,000	40%
\$700,000 - \$900,000	20%
\$900,000 - up	0%

Tax Policies

-  HB 621 – Exempts interstate and intrastate goods in-transit from taxation, allowing warehouses in Texas to remain competitive.
-  HB 1022 – Vehicles that are used for both work and personal transportation are exempted from taxation.
-  HB 1470 – Renews the Economic Development Act until 2011. The Act allows businesses to apply for school property tax limitations to spur economic growth.

Tax Policies


- HB 3319 – Updates the sales tax and the motor vehicle sales & use tax with taxpayer protections.
- SB 377 – Compels electronic payment of taxes. When technology is applied to taxation, both businesses and the state save time and money.
- HB 735 – Eliminated Telecommunications Infrastructure Fund from your phone bill September 30, 2008 – a savings of \$600 million in tax dollars.


Property Tax Reduction



Property tax cuts from the 79th Session reduced Texas homeowner's school tax rates by one-third. In return, the state took on greater responsibility in funding public schools. This amount would be covered by \$8 billion in the Property Tax Relief Fund (comprised primarily of revenue from the newly reformed franchise tax).

Property Tax Reduction

 HB 2 extends property tax cuts to seniors and disabled homeowners. These two groups were excluded from the reductions last session because their property taxes are already frozen at a certain rate. HB 2 now enables them to get the same tax cuts.

 HB 1837 would have exempted Chambers of Commerce from property taxes. Although this bill passed the House, it regrettably failed in the Senate.

Immigration

- ★ HB 1196 – Ensures that public subsidies do not benefit companies that break U.S. labor and immigration laws by hiring undocumented workers.
- ★ Requires a business applying for a public subsidy or grant through a local taxing jurisdiction or economic development corporation to submit a statement certifying the business does not knowingly employ an undocumented worker. Provides for civil action for repayment if the business is convicted of a violation.

Public Schools



HB 2237 – Calls for the study of best practices in dropout prevention and allows grants to be made toward dropout prevention.



SB 1031 – Phases out the TAKS test for grades 9-11. The TAKS will be replaced with end-of-course exams.



HB 2503 – Ensures that Texas school students are well versed in the use of technology.

Higher Education



HB 1250 – Prohibits discrimination in student loan determinations based on a student's secondary school, allowing home-schooled students to qualify for financial aid.








HB 1493 – Creates a center to study severe storms in conjunction with the University of Houston, Rice University and Texas A&M University.






HB 3900 – reinstates Texas Tomorrow Fund as Texas Tomorrow Fund II.

Higher Education

Texas Tomorrow Fund II

-  Plan lets parents lock in today's tuition rates for the future.
-  Savings can be used at any state school.
-  Provides more certainty for parents about affordability of college education.
-  Re-established the popular pre-paid tuition program, which allows parents to begin saving for college today.
-  Includes incentives for colleges to keep tuition costs low.

Ultra Clean Energy Bill

-  HB 3732 creates a more predictable permitting process for the installation of ultra clean power plants.
-  Establishes an ultra clean energy grant and loan program that will provide up to \$30 million every two years for companies using ultra clean technologies to produce electricity.
-  Creates financial incentives for ultra clean energy projects by giving tax breaks and limited property appraisals.

Electric Bills



- HB 624 empowers the state to enforce the commitments made to consumers by KKR. A few of these commitments: ten percent price cut, name change, separate board, separate headquarters, five year TXU investment.
- HB 1386 opens the door for construction of nuclear power plants in Texas, which will provide clean, less expensive electricity.

Transportation

Tapping the brakes on Trans-Texas Corridor

- ★ Comprehensive transportation plan needed, but certain aspects of the corridor raise concern.
- ★ SB 792 establishes a moratorium on comprehensive development agreements.
- ★ Existing toll projects of Harris and Fort Bend Counties can move forward.
- ★ New projects must be vetted against non-tolled options.



Border & Homeland Security

SB 11 – New initiatives to fight border crime, human trafficking and smuggling.

- ★ \$65 million for hard-pressed border sheriffs.
- ★ Efforts bridge the gap between border patrol/local law enforcement.
- ★ Four new advanced helicopters for patrolling border.
- ★ Establishes a statewide mutual aid system for law enforcement.
- ★ Creates Texas Border Security Council.

Criminal Justice

Texas Youth Commission reform

Recent scandal exposed weaknesses in state system of criminal justice for minors. Reform bill, SB 103 addresses problems:

- ★ Establishes ombudsman office for TYC.
- ★ Creates office of Inspector General.
- ★ Increases and improves training of officers.
- ★ Requires background and criminal history checks for all employees and volunteers.
- ★ Requires all TYC facilities to be accredited.

Jessica's Law

Taking a strong stand against child molesters

- ★ Legislation increases penalties for repeat sex offenders.
- ★ Makes child sex abuse a capital crime in certain circumstances.
- ★ Imposes a minimum sentence of 25 years for sexually violent offenses against a child younger than 14.
- ★ Second offense is a capital crime.



The Castle Doctrine

Protecting the right of
self-defense at home.



- ★ Clarifies the use of deadly force in self-defense.
- ★ Does not require victim to retreat to receive legal protection.
- ★ Reduces the probability that a law-abiding citizen could be charged with a crime for defending his or her own home and family.

Health and Human Services

Lowering the cost of uncompensated care

- ★ State will help out hospitals through new trust fund dedicated to reducing uncompensated costs.
- ★ Improvements to Medicaid include encouraging more responsible use of emergency rooms, pilot program to promote healthy behavior.
- ★ Promoting of electronic health records to speed care, reduce costly medical mistakes.
- ★ Study ways to use technology to deter fraud in Medicaid Program.

Health and Human Services

The Children's Health Insurance Program

★ HB 109 makes CHIP more efficient, effective.

★ Extends eligibility period from six to 12 months, saving cost of reapplication.



★ Extends eligibility period from six to 12 months, saving cost of reapplication.

★ Eliminates 90-day waiting period, except for those previously covered by another insurance plan.

★ Revise eligibility criteria to streamline process, avoid confusion.

Health and Human Services

Child Protective Services Reform

Major reforms last session after crisis.

Additional reforms this session:

- Additional funding for early intervention.
- Legislation to keep families together, reduce the amount of time a child is in foster care.
- New staff and programs to improve response time, face-to-face time with children.
- More efforts for kinship placement.



Healthy Marriage Initiative

Strengthening marriage and reducing divorce

- ★ Legislation aimed at reducing divorce through premarital education courses.
- ★ Courses already exist; many are free through churches, etc.
- ★ Fiscal incentives encourage more families to participate by waiving marriage application fee.



Religious Freedom

Protecting the rights of Texas students of faith



HB 3678 - Legislation sets guidelines for religious expression in schools.

- ★ While not diminishing others' rights, students of faith will be protected while expressing religious viewpoints.
- ★ Legislation drafted by constitutional experts to pass constitutional muster.
- ★ Guidelines gives schools certainty against lawsuits as long as policies are within legal framework.

Local Interests

Rider #86

- ✓ The Texas Department of Criminal Justice shall conduct a feasibility study on relocating the central prison and adjoining housing units to a more suitable location.
- ✓ Includes examining costs, benefits, & an anticipated timeline if it is determined to be in the best interest of TDCJ and the City of Sugar Land.
- ✓ If found best to relocate facility, the City will be able to improve industrial park and the airport.

More Local Interests

HB 3232

- ★ Protects homeowner's investment from redevelopment or replatting by requiring public and written notice and a formal hearing.
- ★ Must be approved by a supermajority of the city council if 20% of neighbors object in writing.
- ★ Applies only to a "subdivision golf course" & country club located within a city of more than 50,000 or partly in a county of more than 3 million, or in a county of 275,000 adjacent to a county of more than 3 million.

And...

★ SB 500 – Creates a tow truck rotation list for Fort Bend County.

★ HB 1844 – School districts are directed to require a home-schooled student to pay the same fee to participate in a test that a student enrolled in the district is required to pay.



Q & A

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