



Conservative Accomplishments

A Record of Conservative Achievement for Texas 2003 - 2008

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Texas Conservative Coalition
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There may be some policy accomplishments or statements of philosophy that individual members were or are unable to support. We recognize and respect their position and greatly appreciate the work of everyone involved with the organization.

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The Texas Conservative Coalition

About the Texas Conservative Coalition:

For over twenty years, the Texas Conservative Coalition, the conservative caucus of the Texas Legislature, has had meaningful impact on the legislative process from appropriations to health and human services policy.

This document is intended to provide a record of conservative achievement since 2003 that reflects legislation that members of TCC actively supported and helped pass.

Because TCC rests on the principles of limited government, individual liberty, free enterprise, and traditional values, the organization helps to define and implement an appropriate role for government. What binds members of the Texas Conservative Coalition is the common belief that conservative values hold the key to governance in Texas.

Conservative Accomplishments

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Budget and Taxation

HB 1 (78R) – General Appropriations Act

HB 651 (78R) – State Agency Savings Incentive Program

HB 1 (79S1) – School Property Tax Rate Relief

HB 2 (79S3) – Property Tax Relief Fund

HB 1 (80R) – General Appropriations Act

HB 2 (80R) – Property Tax Relief

HB 3430 (80R) – Online State Spending Database

HB 735 (80R) – Telecommunications Infrastructure Fund

HB 3928 (80R) – Franchise Tax Exemption



Budget and Taxation

The economy is stronger than any other time in Texas history because conservatives overcame a \$10 billion budget shortfall without raising taxes, enacted record property tax rate relief, and returned surplus revenues to taxpayers.

House Bill 1 (78R) General Appropriations Act

The 78th Legislature was faced with a \$7.4 billion budget deficit and therefore had to ensure that every dollar of state funding for programs and agencies was spent in the most effective way possible. House Bill 1 was instrumental in this process, authorizing total spending of \$117.4 billion (including federal funds) for the 2004-05 biennium, just 1.4 percent more than the 2002-03 budget. Significantly, within this all funds total, appropriations from General Revenue decreased by \$2.2 billion (3.4 percent) compared to the 2003-03 level.

Central to these fiscal successes was the adoption of the zero-based budgeting approach, which afforded legislators the opportunity to set new spending priorities and scrutinize how every dollar was spent. The budget was underpinned by the notion that government cannot and should not do everything. A government that expands to meet every need and fulfill every political promise not only loses sight of its priorities but guarantees that it will not do the basics very well. House Bill 1 moved Texas away from a path of perennially increasing spending while ensuring that the state was able to fulfill its core duties and responsibilities to citizens.

Key point: Despite being faced with a deficit, the 78th Legislature balanced the budget without passing new taxes or increasing existing taxes; budget growth was successfully limited to a conservative 1.4 percent.

House Bill 651 (78R) Savings Incentive Program for State Agencies

House Bill 651 required agencies that spend less than the amount appropriated to them from non-federal sources to send the Comptroller notice of the savings before the end of the fiscal year for which the savings are realized. The bill allowed the agency to retain half of the amount of savings, not to exceed two percent of the undedicated general revenue from non-federal

sources appropriated to the agency. HB 651 permitted the agency to spend the savings on anything that does not create or expand services or require continued funding.

HB 651 was an important reform that encourages state agencies to limit their spending. Agencies are more likely to make better financial decisions and cut down on waste when they have an incentive not to spend all the money appropriated to them for that year. Most often, agencies engage in a “use it or lose it” policy that leads to unnecessary purchases in order to simply use all of the funds, so as not to leave any dollars on the table that would be returned to the state, or indicate that the agency could withstand a reduction in their appropriation for the following biennium.

The incentive system established by HB 651 provided an opportunity for agencies to use a portion of the savings from prudent and responsible fiscal management for items such as merit bonuses for employees that have demonstrated exceptional performance. Allowing the agency to retain some claim to these funds provides a greater incentive for agencies to prudently manage their biennial appropriation, and discourages unnecessary and wasteful spending at the end of the fiscal year.

Key point: House Bill 651 established an incentive for state agencies to realize savings by allowing an agency to retain a portion of any savings made.

House Bill 1 (79S3) Property Tax Rate Relief

The bill appropriated \$3.8 billion in order to fund a buy-down of the maximum school district M&O property tax rates from \$1.50 to \$1.33 in fiscal year 2007. The bill also required subsequent appropriations that will allow school district M&O tax rates to be reduced to a maximum rate of \$1.00 in fiscal year 2008.

The bill provided immediate and necessary property tax rate relief for property owners as mandated by the State Supreme Court. HB 1 also set the state on a course of property tax reduction that can be continued by subsequent Legislatures.

HB 1 also directed the State Board of Education to adopt rules so that high school students are required to complete four years of English, math, science, and social studies before being permitted to graduate. Establishing this minimum standard was an important reform that will help ensure that high school graduates have the knowledge and skills necessary to be successful in both higher education fields and the employment market.

Key point: House Bill 1 provided for a one-third decrease in local school district maintenance and operations (M&O) property tax rates.

House Bill 2 (79S3) Property Tax Relief Fund

In establishing the Property Tax Relief Fund, House Bill 2 guaranteed a reduction of the property tax burden sought by House Bill 1 by establishing a mechanism through which appropriations made for the purpose of property tax relief could be directed to school districts in order to lower M&O tax rates. Specifically, HB 2 directed a portion of the revenues generated by the revised Franchise Tax, the motor vehicle sales and use tax, the cigarette tax, and the other tobacco products tax to the Property Tax Relief Fund.

Key point: House Bill 2 established the Property Tax Relief Fund to dedicate funding to school district maintenance and operations (M&O) property tax relief.

House Bill 1 (80R) General Appropriations Act

The Legislative Budget Board’s analysis of House Bill 1 noted that the Conference Committee’s recommendations would result in total state spending (All Funds) in the 2008-09 biennium of \$152.5 billion; this excluded \$14.2 billion appropriated to fund property tax relief. The LBB analysis noted that “the recommendations provide for a \$10.0 billion, or 7.0 percent increase from the 2006-07 biennial level.”

The budget therefore represented a fiscally conservative approach to state appropriations and spending. Growth in state spending was kept to a low level and appropriations were within the Comptroller’s biennial revenue estimates, allowing for tax cuts and further property tax relief in subsequent biennia.

Key point: Legislators resisted the temptation to spend surplus revenue on new programs and limited the growth of the budget to less than the growth of population and inflation.

House Bill 2 (80R) Property Tax Relief

HB2 continued the rate reduction provisions that were initiated by the 3rd Called Session of the 79th Legislature. HB 2 represented a vital part of the Legislature’s continued commitment to provide ongoing tax relief to local property tax payers. The fundamental reform of education funding during the 3rd Called Session requires continued reductions of school district property tax

rates. Ultimately, HB2 returned revenue to taxpayers, which is a necessary and appropriate response in times of surplus. If surplus revenue was not returned to taxpayers with the aim of reducing school district property tax rates, it would inevitably have been put toward increased spending.

Key point: House Bill 2 appropriated a total of \$14.2 billion from the Property Tax Relief Fund and the Foundation School Fund to the Texas Education Agency in order to fund local school district property tax rate cuts.

House Bill 3430 (80R) Online State Spending Database

House Bill 3430 established an online state spending database that must include all state contracts exceeding \$50,000, and must allow users to search funding by any element of the information (payor, payee, or state agency). The database allows a user to determine the total amount of state funding awarded to any one person or organization by a state agency, and allows users to download information that is gathered from a search.

Each state agency that maintains a website is also required to include a link on their website to the state contract database. The bill promoted open and transparent government by utilizing conventional technology to enable citizens to access spending data.

Key point: House Bill 3430 required the establishment of an online state contract and spending database that in order to increase the transparency of state government.

House Bill 735 (80R) Elimination of the Telecommunications Infrastructure Fund

The Telecommunications Infrastructure Fund fee was a 1.25 percent assessment imposed on firms that sell telecommunications services to an end user. TIF was introduced in 1995 to provide technology grants to public schools, hospitals, and libraries in rural areas. However, it was determined in 2003 that the Fund's goals had been met, and the state ceased issuing TIF grants.

HB 735 ended the TIF fee and reaffirmed that revenue generated through taxes and fees should be appropriated exclusively toward the purpose for which they are collected. Once their purpose is served, taxes and fees should be eliminated.

Key point: House Bill 735 repealed the Telecommunications Infrastructure Fund (TIF) fee, a pro-consumer victory.

House Bill 3928 (80R) Franchise Tax Exemption

Although House Bill 3928 was primarily a technical revision of aspects of the Franchise Tax, it also included an important reform that will exempt many small businesses from the having to pay the Franchise Tax. This is important because small businesses comprise more than 98 percent of all businesses in Texas. Most of these have annual revenues below \$500,000. Small businesses also typically have low profit margins. Raising the exemption will ensure that these small businesses are not penalized by the Revised Franchise Tax and will help keep Texas' business climate vibrant.

Key point: House Bill 3928 increases the revenue exemption from the Franchise Tax, which will ensure that the state's small businesses are protected from the tax.



Illegal Immigration

HB 1196 (80R) – Employer Sanctions

HB 126 (80R) – Penalties for Document Fraud

SB 11 (80R) – Penalties for Human Trafficking

HB 1 (80R) – Increased Funding for Homeland and Border Security



Illegal Immigration

While there is much work still to be done, conservatives have increased funding for border security and created tougher penalties for document fraud, human trafficking, and employing illegal aliens.

House Bill 1196 (80R) Employer Sanctions

House Bill 1196 established that if a business that receives a public subsidy is convicted of employing unauthorized aliens in violation of federal law, the business is required to repay the subsidy with interest.

The bill ensures that lawbreakers (in this case, businesses who are convicted of hiring unauthorized aliens) do not enjoy the benefits of receiving public subsidies. In that sense, HB 1196 guarantees that public monies have not subsidized criminal activity, and creates a new penalty for participating in illegal immigration.

Key point: House Bill 1196 required businesses to attest on applications for public subsidies that they do not and will not employ unauthorized aliens, and established that a business must repay any subsidy it received if it is subsequently convicted of having employed illegal immigrants.

House Bill 126 (80R) Penalties for Document Fraud

House Bill 126 increased the penalties associated with document fraud by classifying the offense as “organized crime.” Document fraud has become a large criminal industry, which threatens the security of documents used by the state to establish residency and citizenship. In its June 2006 “Fact Sheet on Comprehensive Immigration Reform,” the White House pointed out that “[t]oday there is an entire underground industry dedicated to producing fake IDs and fraudulent Social Security Numbers.”¹ By increasing the penalties for those who engage in production of

fraudulent documents in Texas, HB126 was an appropriate response to the growing problems created by the document fraud industry.

Key point: House Bill 126 allowed stricter penalties to be imposed on those who perpetrate document fraud by classifying the offense of tampering with a governmental record as “organized crime.”

Senate Bill 11 (80R) Penalties for Human Trafficking

Senate Bill 11 broadened the definition of human trafficking offenses in statute, which enhances the ability of law enforcement officials to detain and prosecute those who commit human trafficking offenses. The bill established that human trafficking is a second degree felony, and that it is a first degree felony if the victim is under 18 years of age or is trafficked for the purposes of prostitution. As the state continues to deal with the challenges posed by its 1,200 mile international border, SB 11 was a vital reform that enables the state to effectively combat border-related crimes such as human trafficking.

Key point: Senate Bill 11 expanded the statutory definition of human trafficking and increased penalties for those convicted of the offense.

House Bill 1 (80R) Increased Funding for Homeland and Border Security

Within the fiscally conservative state budget, \$274million was devoted to funding border and homeland security initiatives. This was important because one of the fundamental roles played by government is that of providing law enforcement; Texas shares a 1,200 mile border with Mexico, which presents abundant opportunities for crimes such a drug trafficking and people trafficking to occur.

Devoting funding to preventing such crimes is clearly necessary and was another notable success of the state budget. Law enforcement efforts along the border, such as Operation Wrangler III, have been shown to decrease border crime by one-third in periods of less than a month.²

Key point: The state budget devoted \$274 million to law enforcement initiatives along the state’s international border.



Health Care

HB 2292 (78R) – Medicaid and HHSC Reform

SB 541 (78R) – Mandate Free Health Insurance

HB 727 (78R) – Disease Management in the Medicaid Program

HB 1735 (78R) – Disease Management in State Managed Care Programs

HB 1743 (78R) & SB 1694 (80R) – Preventing Medicaid Fraud

SB 10 (78R) – Small Employer Group Health Benefit Plans

HB 3126 (78R) – Increasing the Number of Registered Nurses

SB 45 (79R) – Health Care Technology Advisory Committee

HB 1066 (80R) – Electronic Health Care Records

SB 10 (80R) – Medicaid Reform

HB 1977 (80R) – Reform of the Texas Health Insurance Risk Pool

HB 522 (80R) – Health Plan Identification Cards



Health Care

Conservatives have increased health care options for consumers, introduced cost-saving measures to Medicaid and the Children's Health Insurance Program, tackled Medicaid fraud, and advanced the use of electronic health care records.

House Bill 2292 (78R)

Medicaid and Health and Human Services Reform

House Bill 2292 achieved the following reforms to the state's Medicaid program:

- ★ Limiting the period of continuous eligibility in Medicaid to a six-month period, rather than rolling to a 12 month continuous eligibility period as passed in the 77th Legislature;
- ★ Allowing for more thorough procedures for verifying assets in determining eligibility for Medicaid, including access to consumer reporting agencies and other similar records;
- ★ Setting a four-brand maximum and 34-day supply limit on prescription drugs under Medicaid;
- ★ Eliminating requirements for the provision of certain services under Medicaid, such as podiatric, psychologist, and family and marriage therapy services;
- ★ Requiring the implementation of the maximum cost-sharing allowable under federal regulations; and,
- ★ Reducing Medicaid fraud by creating the HHSC Office of Inspector General and expanding the investigation and prosecution powers of the Office of the Attorney General.

In addition to these vital cost-saving Medicaid reforms, HB 2292 also reformed aspects of the state's Temporary Assistance for Needy Families (TANF) program by establishing a marriage program for TANF recipients to provide incentives for clients that promote healthy and stable marriages. The bill also implemented a pay-for-performance system for TANF recipients, which requires participants to meet the obligations of the personal responsibility agreement every month in order to receive benefits.

The creation of the Office of Inspector General by HB 2292 and the additional authority and funding given to the Office of the Attorney General led to Texas being given the nation's top fraud-fighting award in September 2005 by the U.S. Department of Health and Human Services.

The Office of Inspector General (OIG) reported that in its first full year of operation it recovered \$349.5 million and recorded “cost avoidance” of \$389.5 million. All of this was directed back into the Medicaid program to provide needed services to eligible low-income Texans. In fiscal year 2005 the OIG recovered \$441.5 million as a result of fraud investigations. A further \$362.5 million was saved through cost avoidance. In all, more than \$1.5 billion has been saved as a result of the anti-fraud measures enacted by HB 2292.

Key point: House Bill 2292 fundamentally reformed the state’s Medicaid program by addressing issues such as eligibility determination, the level of coverage provided, and cost-sharing. The bill also reorganized HHSC and increased fraud prevention efforts.

Senate Bill 541 (78R) Mandate-Free Health Insurance

Senate Bill 541 allowed insurers to offer mandate-free insurance policies to policyholders. The bill required the insurer to provide notice to policyholders of their option to choose a policy that does not cover the health benefits normally required in the state.

SB 541 was an important reform because health insurance mandates invariably drive up the cost of an insurance policy and therefore increase the number of uninsured. The evidence shows that increases in the cost of insurance force more people onto the rolls of the uninsured, and one of the main reasons that insurance costs increase is by way of mandates.

Statistics from the Texas Department of Insurance (TDI) show that take-up of consumer choice plans has been strong, and that many Texans who were previously uninsured have opted to purchase coverage through a consumer choice plan.

The first full year in which consumer choice plans were available in Texas, 5,347 plans were purchased; these plans covered 17,445 lives, 4,283 of which were previously uninsured.

By 2006, the total number of consumer choice plans purchased in Texas had grown to 38,839. These plans covered a total of 130,098 lives, 14,429 of which had been uninsured.

A three year summary of consumer choice plans follows:

Consumer Choice Plans in Texas 2004-06					
Year	Total lives covered	Growth in total lives covered	Lives covered by newly issued plans	Previously uninsured lives covered	Growth in previously uninsured lives covered
2004	17,445	-	14,106	4,283	-
2005	87,675	+ 402.6%	51,628	7,325	+ 71.0%
2006	130,098	+ 48.4%	75,311	14,429	+ 97.0%

Source: Texas Association of Health Plans

Key point: Senate Bill 541 required the availability of mandate-free health insurance to health insurance consumers in Texas.

House Bill 727 (78R)

Disease Management in the Medicaid Program

Disease management is an important way in which health care services can be delivered cost-effectively to segments of the Medicaid population with chronic diseases such as diabetes. House Bill 727 allowed HHSC to request proposals for disease management contract, determine other aspects of the disease management program, and develop appropriate contracts. Significantly, the bill provided that the Commission could only enter into a contract with a provider of disease management programs with a guarantee of savings to the state.

HB 727 encapsulated the core conservative principle of limited government and defined an appropriate role of government by allowing competitive bidding for services and for a non-government entity to manage part of the Medicaid program.

The Texas Conservative Coalition supported disease management efforts and the Texas Conservative Coalition Research Institute (TCCRI) recommended implementation of a disease management program in its 2003 State Finance Task Force Report “A Roadmap to Responsible Reform.” The report specifically recommended that the state implement a “disease management program to target populations with preventable and manageable chronic illnesses such as diabetes, heart problems, hypertension, and asthma.”

Key point: House Bill 727 required HHSC to contract for disease management services for Medicaid recipients with chronic health conditions who do not qualify for Medicaid managed care.

House Bill 1735 (78R)

Disease Management State Funded Managed Care

Specifically, the bill required the managed care plans that are offered by public entities such as the Health and Human Services Commission and the Employee Retirement System to provide disease management services or coverage no later than January 1, 2004.

House Bill 1735 was a responsible reform enacted by the Legislature to contain costs in the health care coverage programs offered by state entities outside of the Medicaid program.

Key point: House Bill 1735 required managed care programs offered by certain state agencies and entities to provide disease management services.

House Bill 1743 (78R)

Senate Bill 1694 (80R)

Prevention and Detection of Medicaid Fraud

HB 1743 allowed the Health and Human Services Commission (HHSC) to perform a pre-payment review of a claim for reimbursement under the Medicaid program to determine whether the claim involves fraud or abuse, and to withhold payment for up to five working days in order to complete the review.

The bill also authorized the HHSC Office of Investigation and Enforcement (OIE) to obtain information relevant to its duties in the same way as law enforcement agencies. The bill gave the Office the authority to issue a subpoena to compel the attendance and testimony of a witness or the production of records. In addition, the (OIE) was given authority to seize assets if there is a likelihood that the owner engaged in fraud or abuse of the Medicaid program.

Senate Bill 1694 built on these reforms by providing that if an agency involved in the Medicaid program discovers information that could indicate fraud, they may provide that information to another agency. The bill facilitated better communication between agencies during the investigation of Medicaid fraud, and allowed the Attorney General to more effectively prosecute those who defraud the Texas Medicaid program.

Key point: House Bill 1743 established stronger processes through which HHSC can determine whether claims for Medicaid payments are fraudulent; Senate Bill 1694 improved the ability of state agencies to investigate and prosecute fraud in the Medicaid program.

Senate Bill 10 (78R)

Small Employer Group Health Benefit Plans

Group health cooperatives formed with other small and large employers allow small employers to obtain less costly health coverage for employees. Allowing small employers to pool with larger ones in order to obtain affordable health insurance is an important part of the process of reducing the number of uninsured in the state. A range of reports published by the Texas Department of Insurance demonstrate that many uninsured Texans work for a small business; addressing this issue was therefore necessary and was achieved by SB 10.

Key point: Senate Bill 10 allowed for the establishment of group health cooperatives to tackle the problems small businesses can face as a result of the cost of health coverage for their employees.

House Bill 3126 (78R)

Increasing the Number of Registered Nurses

House Bill 3126 was an appropriate response from the Legislature to the state's shortage of qualified nurses. The bill addressed the shortage by requiring that all money appropriated to fund enrollment growth in nursing programs is spent for that purpose.

This was an appropriate response to the shortage of qualified nurses and was particularly commendable because the bill had no fiscal impact; it simply ensured that existing appropriations were spent as intended.

According to the Department of State Health Services and the American Association of Colleges of Nursing, there was an immediate increase in enrollment in the 2005-06 school year:

In Texas, enrollment in entry-level baccalaureate nursing programs increased by 9.3 percent and entry level and associated degree and diploma nursing programs increased by 4 percent from 2004-05. Texas produced a total of 6,300 new graduates of initial nursing entry programs in its 84 nursing programs in 2005.”³

Key point: House Bill 3126 required that all money appropriated by the Legislature specifically to fund enrollment growth in a professional nursing program is expended for that purpose.

Senate Bill 45 (79R)

Health Care Technology Advisory Committee

The Health Care Technology Advisory Committee established by Senate Bill 45 issued recommendations in September 2006, many of which were realized through bills filed during the 80th Legislature. Most notably, the Committee’s primary recommendation was that a statewide coordinating body be established to oversee the adoption of electronic health care records “across Texas that meet patients’ expectations for privacy and control of access to their records.”

This recommendation was manifest in the 80th Legislature through House Bill 1066 (see below), which created the Texas Health Service Authority (THSA) to facilitate the voluntary and secure electronic exchange of health information. The THSA is expected to improve the delivery of health care services by significantly improving Texas’ health care infrastructure and allowing medical information to be shared effectively and accurately, which will result in a reduction in medical and clerical errors. Senate Bill 45 in the 79th Legislature was the first step in this process.

Key point: Senate Bill 45 established the Health Care Technology Advisory Committee, which paved the way for many of the health care technology reforms initiated by the 80th Legislature.

House Bill 1066 (80R)

Electronic Health Care Records

Electronic storage and sharing of health information, particularly medical records, is an important reform that will improve the delivery of health care services to all Texans. According to the Institute of Medicine, a research academy based in Washington D.C., “preventable medical errors—from unplanned drug interactions, say—kill between 44,000 and 98,000 people each year in America alone.”

HB 1066 is the first step toward a comprehensive electronic health care information exchange that would significantly improve Texas’ health care infrastructure and allow medical information to be shared effectively and accurately, while protecting patients’ privacy.

Key point: HB 1066 established the Texas Health Service Authority to facilitate the voluntary and secure electronic exchange of health information to improve the delivery of health care services by cutting down on errors.

Senate Bill 10 (80R)

Medicaid Reform

Senate Bill 10 required HHSC to initiate a pilot program to encourage Medicaid recipients to engage in health-conscious behaviors, such as participating in weight-loss or anti-smoking programs. Increasing personal responsibility in Medicaid is an important way to lower costs, reduce reliance on expensive emergency care, and to ensure efficient use of Medicaid funds in Texas.

SB 10 also required HHSC to study the feasibility of increasing the use of technology to detect and deter fraud in the Medicaid program, including using technology to verify a person's citizenship and eligibility. This was important because the total cost of Medicaid fraud is considerable. In September 2005, the office of inspector general at HHSC announced that in fiscal year 2005 it recovered \$441,551,341 as a result of fraud investigations.

SB 10 addressed the issue of uncompensated care given by hospitals by directing HHSC to determine a standardized definition of "uncompensated care," and to establish a methodology by which hospitals must calculate the cost of the uncompensated care that the institutions provide. HHSC estimated that hospitals over-reported uncompensated care in Texas in 2005. While \$9.2 billion was reported, HHSC calculated that actual uncompensated costs were between \$443 million and \$2.3 billion. It is clear from these figures that a standardized and the approved methodology recommended by SB 10 was required.

Key point: Senate Bill 10 made important Medicaid reforms to encourage personal responsibility among participants and allowed the state to deliver services more cost-effectively.

House Bill 1977 (80R)

The Texas Health Insurance Risk Pool

The Texas Health Insurance Risk Pool plays an essential role providing health care coverage to medically uninsurable individuals and is therefore one of the few areas of government intervention in health care which is a wholly appropriate role for the state to play. The Risk Pool acts as an authentic safety net for those who cannot find health insurance as a result of a pre-existing medical condition.

The reforms enacted by HB 1977 addressed Risk Pool funding inequities by allowing certain health benefit plan issuers' contributions to be based on their gross premiums received rather than total lives covered. This will help guarantee the continued fiscal solvency of the Risk Pool while ensuring that health benefit plan issuers that offer low-premium, high-deductible policies

are not penalized by the Pool's funding mechanism, which has grown to an annual tax of \$95.1 million.

Key point: House Bill 1977 reformed aspects of the funding mechanism of the Texas Health Insurance Risk Pool to ensure equitable treatment for all health benefit plan issuers.

House Bill 522 (80R)

Health Plan Identification Cards

House Bill 522 established a health plan identification pilot program that required health plans operating within the pilot area to issue enrollees a card containing “accurate and current information” regarding the holder’s health benefit plan, and limited information about the policy and type of coverage that the plan offers.

Under the pilot program, health plan identification cards are required to include magnetic strip technology, smart card technology, biometric technology, or any other technology determined appropriate by the Department of Insurance to safely hold the required information in an electronic format.

Using technology to store information on health plan identification cards was an important reform because it will reduce errors and improve communication between the different health care providers, plan issuers, and consumers. According to the National Center for Policy Analysis (NCPA), only one in five physicians currently stores medical records electronically despite research demonstrating that electronic medical records reduce costs and improve the quality of health care. Using the technology suggested by HB 522 will reduce errors and improve the flexibility and control that individuals can exercise over the health care they receive.

Key point: House Bill 522 created a health benefit plan identification card pilot program that will improve the availability of health care information.



Education

HB 3015 (78R) – Higher Education Tuition Deregulation

HB 1022 (78R) – Certification Requirements for Public School Teachers

HB 588 (78R) – Rehiring of Experienced Teachers

SB 186 (78R) – Computation of Dropout Rates

SB 1108 (78R) – Academic Achievement in Public Schools

HB 319 (78R) – Public School Emphasis on Heritage and Free Enterprise

HB 567 (78R) – Expulsion of Students for Committing Criminal Offenses

HB 1 (79S3) – High School Graduation Requirements

HB 492 (79R) – Personal Finance Education

HB 120 (80R) – Higher Education Off-Peak Tuition

SB 1788 (80R) – Virtual School Network

HB 1031 (80R) – End of Course Exams

SB 9 (80R) – Protecting School Children

SB 8 (80R) – Steroid Testing in Public Schools



Education

Conservatives have enacted legislation to improve the quality of teachers in Texas' public school classrooms, raise high school graduation requirements, and bring education into the 21st century through a Virtual School Network.

House Bill 3015 (78R) Higher Education Tuition Deregulation

Through House Bill 3015, Texas deregulated higher education tuition fees, giving individual university institutions the freedom to set their own tuition rates. The legislation's stated goal was to provide tuition flexibility to Texas' public universities:

With tuition flexibility, universities could use flexible rates to achieve strategic goals such as improving graduation rates, more efficient use of facilities, and improving academic programs.⁴

Tuition flexibility for public universities was an important reform because the system of regulated tuition did not provide sufficient pricing options for the array of services an institution may offer. Nor did it lend itself to providing incentives for students to make efficient use of their time and state resources.

As a result of tuition deregulation, institutions can now offer innovative pricing programs, such as flat-rate tuition that assist in meeting the state's objective of increasing graduation rates, and in the long run save parents and students money.

Key point: House Bill 3015 deregulated higher education tuition, allowing Texas' public colleges to offer innovative pricing programs and cope with increasing enrollment levels while retaining and expanding a world-class teaching and research staff.

House Bill 1022 (78R) Certification Requirements for Public School Teachers

House Bill 1022 provided that an educator's contract of employment is void if the employee does not hold a certificate or permit from the State Board of Educator Certification, or if the employee

fails to fulfill requirements necessary to extend a temporary or emergency contract or permit. Under these circumstances, the bill authorized a school board to terminate the employee, suspend the employee, or retain the employee on an at-will basis in a position other than in a classroom. The bill asserted that a school district's decision could not be appealed under these circumstances.

HB 1022 increased school district flexibility and ensured that teachers in the classroom are appropriately certified. It is clearly important that those employees that are certified to teach on a temporary or emergency basis, pending fulfillment of the requirements to be fully certified, meet the obligations for certification and that school districts have automatic recourse over those employees that do not fulfill that obligation.

Key point: House Bill 1022 established that an educator's contract of employment is void if they do not hold appropriate certification from the State Board of Education.

House Bill 558 (78R)

Rehiring of Experienced Teachers

Prior to passage of House Bill 558, teachers originally hired by a school district under a continuing contract must be extended the same type of contract to be rehired. As such, this discouraged school districts from rehiring experienced teachers because of the administrative costs and restrictions associated with the discrepancies in the contracts.

HB 558 addressed this issue by allowing school districts to rehire experienced teachers with a probationary contract after at least a two-year lapse in employment. This additional flexibility for school districts is an important tool that allows them to employ the best and most experience teachers available.

Key point: House Bill 558 allowed school districts to more-easily rehire experienced teachers by permitting probationary contracts to be offered to returning teachers.

Senate Bill 186 (78R)

Computation of Dropout Rates

Senate Bill 186 brought Texas into compliance with federal guidelines covering the computation of dropout rates and required school districts to be in compliance by the 2005-06 school year.

Accurate statistical data is a vital component part of the process of formulating policy to address issues such as high school completion and dropout. Without a standardized computation method, there was considerable controversy over the accuracy of dropout data. Senate Bill 186 addressed this issue and will allow future policies to be formulated on the basis of accurate and uniformly-presented dropout data.

Key point: Senate Bill 186 mandated that public school dropout and completion rates be computed in accordance with standards and definitions adopted by the National Center for Education Statistics.

Senate Bill 1108 (78R)

Academic Achievement in Public Schools

In order to bring the public education system in Texas into line with the No Child Left Behind Act, Senate Bill 1108 enacted the following reforms:

- ★ A statewide standard for high-quality teachers;
- ★ Personal graduation plans for students at risk of not receiving a diploma;
- ★ Allowing students who have performed poorly on statewide assessments to receive credit for additional core courses in lieu of an elective enrichment course;
- ★ The development of an on-line diagnostic and assistance program in each Texas Assessment of Knowledge and Skills (TAKS) subject area to help students prepare for the 11th grade exit-level test administration; and,
- ★ Allowing participation in an innovative redesign project as one of the options to improve low-performing schools.

The changes enacted by SB 1108 gave school districts greater flexibility to improve performance and meet high academic standards.

Key point: Senate Bill 1108 directed the Education Commissioner to establish a statewide standard to certify a school district that is preparing, training, and recruiting high-quality teachers consistent with the federal “No Child Left Behind Act” of 2001.

House Bill 319 (78R)

Public School Emphasis on Heritage and Free Enterprise

House Bill 319 amended the Education Code by adding the following objective to the list of goals of the public education system:

Educators will prepare students to be thoughtful, active citizens who have an appreciation for the basic values of our state and national heritage and who can understand and productively function in a free enterprise society.

Teaching of these values is important in the character development of school children. In particular, the objectives described by the bill applied a number of core conservative principles to the public education system. The bill stressed the importance of traditional values and free enterprise, and therefore applied an appropriate role of government in the public education system.

Key point: House Bill 319 established an additional objective for the state’s public education system; the objective included preparing students to “productively function in a free enterprise society” and giving students an understanding of “the basic values of our state and national heritage.”

House Bill 567 (78R)

Expulsion of Students for Committing Criminal Offenses

Prior to passage of House Bill 567, a student could not be expelled by a school district as a result of behavior that took place off-campus or at a non-school event. HB 567 amended the Education Code so that students who commit murder, attempted murder, or aggravated robbery against another student can be expelled by school districts even if the offense was committed off-campus or at a non-school event. The bill provided school districts with the necessary authority to protect the safety of students by allowing students who commit serious, violent offenses to be expelled regardless of where the offense was committed.

Key point: House Bill 567 allowed school districts to expel students who commit crimes such as murder or aggravated robbery even if the offense is not committed on school premises.

House Bill 492 (79R)

Personal Finance Education

Making informed financial decisions and having the knowledge to understand the fundamentals of personal finance is an important part of ensuring that individuals are able to take personal responsibility for their own financial support and be financially independent. As such, personal finance literacy should be taught to high school students as part of their core curriculum. House Bill 492 enacted this requirement without requiring an entirely new course to be developed thereby ensuring that personal finance literacy could be taught to students as effectively as possible while utilizing existing resources.

Key point: House Bill 492 required that instruction in personal finance literacy be provided in one or more courses that a student must take in order to graduate from high school.

House Bill 1 (79S3)

High School Graduation Requirements

In addition to providing property tax relief, HB 1 (79S3) also directed the State Board of Education to adopt rules so that high school students are required to complete four years of English, math, science, and social studies before being permitted to graduate.

Establishing this minimum standard was an important reform that will help ensure that high school graduates have the knowledge and skills necessary to be successful in both higher education and the employment marketplace.

Key point: House Bill 1 established high school minimum graduation requirements to ensure that high school graduates have completed four years of study in core-curriculum areas.

House Bill 120 (80R)

Off-Peak Tuition

House Bill 120 established a two-year pilot program at the University of Texas at Austin, Texas Tech University, and Texas A&M University in which reduced tuition rates can be charged for classes that are scheduled during off-peak hours.

The legislation encouraged universities to better utilize existing instructional facilities and to offer additional class opportunities for students. As an incentive for the universities to reduce tuition rates, the Texas Higher Education Coordinating board was permitted to grant additional funding based on the savings to the state that result from an institution's efficient use of resources.

Key point: House Bill 120 established a pilot program under which UT Austin, Texas Tech, and Texas A&M can offer reduced designated tuition for courses provided during off-peak hours.

Senate Bill 1788 (80R)

Virtual School Network

Despite notable exceptions, such as Plano ISD's eSchool and Houston ISD's "Virtual School Texas," the state lags behind many other states with regard to electronic distance learning networks. A virtual school network will be particularly beneficial because it directly addresses the challenges that school districts face with regard to classroom space and transportation. Students will be able to study the very best courses in the state on the virtual school network without placing any burden on a new school in terms of classroom space or transportation costs. Additionally, through a virtual school network, school districts can share the costs of providing courses that they would not otherwise be able to afford.

Key point: Senate Bill 1788 created a virtual school network that will make high-quality courses available online to all students in the state.

Senate Bill 1031 (80R)

End of Course Exams

Senate Bill 1031 required districts to administer "end of course" assessment instruments for secondary-level courses in Algebra I, Algebra II, geometry, biology, chemistry, physics, English I, English II, English III, world geography, world history, and United States history. The bill also stated that all students must be assessed in:

- mathematics, annually in grades three through seven without the aid of technology and in grade eight with the aid of technology on any assessment instrument that includes algebra;
- reading, annually in grades three through eight;

- writing, including spelling and grammar, in grades four and seven;
- social studies, in grade eight; science, in grades five and eight; and any other subject and grade required by federal law.

In addition to end of course exams, SB 1031 also required that school districts administer an established, valid, reliable, and nationally norm-referenced preliminary college preparation (Preliminary SAT/National Merit Scholarship Qualifying Test) to students in the eighth and tenth grades.

Key point: Senate Bill 1031 phased out the problematic TAKS test and replaced it with subject-specific end of course exams. Senate Bill 1031 better prepares Texas high school students for college.

Senate Bill 9 (80R) Protecting School Children

Through Senate Bill 9, the Legislature required that every public school employee submit fingerprints for a national criminal history background check through the Department of Public Safety and the Federal Bureau of Investigation. The bill allowed the State Board of Educator Certification to suspend or revoke the certification of an individual who has been convicted of a felony or misdemeanor offense relating to the duties and responsibilities of the education profession, including:

- ★ an offense involving a form of sexual or physical abuse of a minor or student or other illegal conduct in which the victim is a minor or student;
- ★ a felony offense involving the possession, transfer, sale, or distribution of or conspiracy to possess, transfer, sell, or distribute a controlled substance;
- ★ an offense involving the illegal transfer, appropriation, or use of school district funds or other district property; or,
- ★ an offense involving an attempt by fraudulent or unauthorized means to obtain or alter a professional certificate or license.

Key point: Senate Bill 9 prohibited all individuals who have been convicted of homicide, assault, kidnapping, or any offense involving a child that requires registration as a sex offender from being employed at a public school.

Senate Bill 8 (8oR) Steroid Testing in Public Schools

A study carried out by Texas A&M University in 2002 revealed that 42,000 high school students in Texas had taken steroids—2.3 percent of the total high school population. A 2006 update of the study showed that this figure has dropped to around 1.5 percent. Despite this slight decline, the figure is still significant given the risks that steroid use can pose to high school students and athletes.

Mandatory or random testing of high school athletes is clearly important given the number of students who have admitted to taking steroids. Testing can help identify students who are taking steroids so that they can receive the medical assistance or counseling they may need.

Key point: Senate Bill 8 required the University Interscholastic League to establish and administer a random steroid testing program that involves a statistically significant number of high school athletes to protect the health of school children.



Environment

SB 5 (77R), HB 1365 (78R), & SB 12 (80R) – The Texas Emissions Reduction Plan

SB 712 (79R) – Energy Efficiency Goals

HB 2129 (79R) & HB 3693 (80R) – Smart Metering and Energy Efficiency

SB 1413 (79R) – Clean-Up of Brownfield Sites

SB 20 (79S1) – Renewable Energy Generation Targets

HB 1386 (80R) – Nuclear Plant Decommissioning

HB 1090 (80R) Biomass Incentive Program

HB 1 (80R) – Funding for Wind Turbine Research

HB 2714 (80R) – Recycling of Computer Equipment

HB 2293 (80R) – Fuel Efficient Vehicles

HB 2819 (80R) – Protection of Beaches



Environment

The Legislature has taken significant steps toward improving air quality, creating incentives for renewable energy, establishing requirements for energy conservation, and ensuring that water in Texas' rivers, lakes, and bays is clean.

Senate Bill 5 (77R)

House Bill 1365 (78R)

Senate Bill 12 (80R)

The Texas Emissions Reduction Plan (TERP)

Senate Bill 5 created TERP , a comprehensive range of incentive programs aimed at improving air quality in Texas. Three main incentive programs are operated through TERP are: emissions reduction grants, rebate grants for the replacement of certain vehicles, and new technology research and development grants.

House Bill 1365 enacted reforms to help bring Texas into compliance with federal emissions laws and regulations enforced by the US Environmental Protection Agency.

Specifically, the bill made the following statutory changes:

- Allowing the Texas Commission on Environmental Quality (TCEQ) to adopt standards for ultra-low sulfur diesel fuel;
- Allowing TCEQ to apply TERP to additional counties as necessary; and,
- Altering the apportionment of TERP funds to state agencies and other entities such that a larger amount of funding is directed to TCEQ.

HB 1365 was necessary to ensure that the state would be in compliance with federal law and USEPA regulations. The funding changes were particularly critical to addressing the non-attainment areas of the state, and the approach adopted by HB 1365 was widely viewed as the most painless way to achieve the required level of funding and the most effective way to raise the money to do the necessary retrofitting for diesel engines.

In the 80th Legislature, Senate Bill 12 expanded TERP as follows:

- Permitted TCEQ to expand the assistance it provides to low-income Texans with the cost of repairing and replacing vehicles through LIRAP;

- Expanded TERP to cover counties containing all or part of a major highway transportation corridor, and also to cover waterways or bays within nine miles of a non-attainment area;
- Increased maximum TERP grant award cap; and,
- Required that TCEQ implement an internet-TERP application process.

Key point: The Texas Emissions Reduction Plan is now an integral part of Texas' efforts to improve air quality by focusing on emissions from mobile sources such as cars and trucks.

Senate Bill 712 (79R) Energy Efficiency Goals

Senate Bill 712 established that energy efficiency programs may address reductions in peak demand as well as energy consumption and costs. The bill required PUC establish energy efficiency programs for schools and homes, including appliance recycling and air-conditioning improvements. The bill also permitted transmission and distribution utilities to spend 10 percent of their efficiency funds on research and development for efficient technologies.

Key point: Senate Bill 712 proposed new energy efficiency goals to encourage the use of emerging technologies to reduce energy consumption, especially in times of peak demand.

House Bill 2129 (79R) House Bill 3693 (80R) Smart Metering and Energy Efficiency

House Bill 2129 required electric utility providers to consider establishing consumer-option programs that encourage the reduction of air contaminant emissions. The bill clarified that regulated electric distribution utilities have the responsibility for metering services for residential and small commercial customers and required PUC to develop a plan for deployment of smart metering that includes a surcharge to recover net costs associated smart grid networks. The bill directed PUC to conduct a biennial study the use of advanced metering and to present the study to the Legislature.

House Bill 3693 increased the state’s energy efficiency goals in order to provide near-term reductions in consumption and demand to protect the reserve margin, avoid crises during peak periods, and reduce electric rates.

Specifically, the bill enhanced existing energy efficiency programs, enabled more customer demand management, updated building energy codes, and required state agencies to purchase more efficient equipment and appliances.

Key point: House Bill 2129 established incentives for the deployment of smart grid and advanced meter technologies to improve reliability, reduce demand, and lower consumer costs. House Bill 3639 increased energy efficiency goals to help decrease consumption and reduce consumer electric rates.

Senate Bill 1413 (79R) Clean-Up of Brownfield Sites

Key point: Senate Bill 1413 authorized certain counties to establish and fund county clean up programs to clean up abandoned industrial land that is blighted with hazardous waste or other environmental damage.

Senate Bill 20 (79S1) Renewable Energy Generation

In 1999, through Senate Bill 7 (the legislation that deregulated the electric market in Texas) the Texas Legislature established renewable energy generation targets for the first time. The bill expressed legislative intent that an additional 2,000 megawatts of renewable generation capacity be developed by January 2009. This set a baseline target for January 2009 of 2,880 megawatts.⁵ By 2005 however, it was clear that this goal had already been achieved, so the Legislature moved to set new standards. Through Senate Bill 20 (79S1), the renewable energy generation capacity target was set at 5,880 megawatts by 2015, and then 10,880 megawatts by 2025.⁶

Significantly, Senate Bill 20 also required the designation of Competitive Renewable Energy Zones to help ensure that “sufficient transmission infrastructure exists to meet the state’s goal for renewable energy.”⁷ In July 2007, the Public Utility Commission designated eight areas of the state as Competitive Renewable Energy Zones (CREZ). The purpose of the designation is to ensure that the areas of the state where wind energy is most feasible are adequately connected – via transmission lines – to the areas where the energy will be used:

The establishment of the CREZ means that Texas can continue to grow its wind generation capacity in the knowledge that the power generated by future wind farms will have the necessary transmission infrastructure to direct it to where it is needed. In July 2008, PUC adopted a transmission proposal that will result in \$5 billion of transmission upgrades and development.

Key point: Senate Bill 20 expanded the state’s renewable energy generation goal to 10,000 megawatts by 2025. The bill also established Competitive Renewable Energy Zones.

House Bill 1386 (80R) Nuclear Plant Decommissioning

HB 1386 established annual decommissioning funding for nuclear generating facilities. The bill required that the Public Utility Commission (PUC) ensures there is adequate funding for nuclear decommissioning and that nuclear facility operators must contribute to the decommissioning fund on a yearly basis.

Key point: House Bill 1386 provided a mechanism through which nuclear plant owners must demonstrate that they can fund the safe decommissioning the plant when it closes. This protects the environment and ensures that taxpayers are not burdened with nuclear decommissioning costs.

House Bill 1090 (80R) Biomass Incentive Program

House Bill 1090 established the Agricultural Biomass and Landfill Diversion Incentive Program to provide grants to farmers, loggers, and diverters who provide agricultural biomass to facilities that generate electricity using agricultural biomass.

Key point: House Bill 1090 established incentives for the development of biomass-generated energy in Texas.

House Bill 1 (80R) Funding for Wind Turbine Research

The Legislature appropriated \$5 million to the University of Houston, a participant in the Lone Star Wind Alliance. The appropriation was contingent on the US Department of Energy awarding the development of a National Large Wind Turbine Research and Testing Facility to Texas. This award was made in June 2007, and the wind-turbine and blade-testing facility will be near Corpus Christi.

Key point: The Legislature appropriated \$5 million for research and development of wind turbines for electricity generation.

House Bill 2714 (80R) Recycling of Computer Equipment

Key point: House Bill 2714 requires computer manufacturers to establish free and convenient computer equipment recycling programs.

House Bill 2293 (80R) Fuel Efficient Vehicles

Key point: House Bill 2293 required at least ten percent of the vehicles purchased by state agencies to be low-emission and fuel-efficient, assuming that this is commercially viable for the type of vehicle in question.

House Bill 2819 (80R) Protection of Beaches

Key point: House Bill 2819 encouraged the development of plans to combat erosion and storm damage.



Traditional Values

SB 319 (78R) – Protection of an Unborn Child

HB 15 (78R) – Regulation of Abortion

SB 7 (78R) – Non-Recognition of Same Sex Civil Unions

HB 320 (78R) – Parental Consent for Administration of Drugs to Children

HJR 6 (79R) – Protecting Marriage

HB 2228 (79R) – Offense of Online Solicitation of a Minor

HB 839 (79R) & HB 904 (79R) – Prosecution of Child Pornography Offenses

HB 383 (79R) – Parental Right to Reasonable Corporal Punishment of Child

HB 2683 (80R) & HB 2685 (80R) – Marriage Education Courses

HB 3687 (80R) – Religious Expression in Public Schools

HB 1287 (80R) – Bible Elective Course in Public Schools

SB 378 (80R) – Castle Doctrine

HB 8 (80R) – Prosecution of Child Sex Offenders (Jessica's Law)

HB 1034 (80R) – One State Under God



Traditional Values

Legislators have kept traditional conservative values at the forefront of public policy in Texas, enacting legislation ranging from regulating abortion and strengthening marriage, to increasing penalties for child sex offenders and enhancing Texans' right to defend their homes from intruders.

Senate Bill 319 (78R) Protection of an Unborn Child

Senate Bill 319 extended to unborn children the normal legal protections against offenses that can be committed against individuals, such as homicide and assault. The bill provided exemptions for cases where the death of the child is a result of the mother receiving a legal abortion.

SB 319 was in keeping with the value we should place on the sanctity of life, including the lives of unborn children. It is important that the law extend protections to unborn children in cases of death or injury. The vast majority of people recognize that death or injury to an unborn child is unjust taking of life for which the law should provide recourse.

Key point: Senate Bill 319 amended the definition of "individual" in the Penal Code and the Civil Practice and Remedies Code in order to protect unborn children from homicide and assaultive offenses.

House Bill 15 (78R) Regulation of Abortion

House Bill 15 made a range of reforms to the state's regulation of abortion, including establishing that an abortion cannot be performed without the voluntary and informed consent of the pregnant mother, and that only a medical center licensed to perform abortions may perform an abortion on a fetus aged 16 weeks or older.

Significantly, the bill also required women seeking an abortion to be provided with information concerning the particular medical risks associated with abortion and indicating the availability of resources such as medical assistance, child support, and counseling, as well as printed information related to the abortion procedure and alternatives to abortion. The bill required a

woman to certify in writing that the information was provided to her, and prohibited a medical practitioner from performing an abortion until receiving confirmation that the standards for informed consent have been met.

HB 15 also made changes to the licensing required to permit a medical center to carry out abortions. Previous law stated that an office of a physician that performed less than 300 abortions in any twelve-month period was exempt from licensure requirements; HB 15 tightened this requirement so that a facility that performs at least 10 abortions per month or 100 abortions per year requires licensing.

This bill was instrumental in reducing the number of abortions recorded in Texas. Between 2003 and 2004—the period in which the bill became effective—the total number of abortions performed on Texas residents declined by around 3,500. It was not until 2006 that the number of abortions finally surpassed those performed before HB 15 was enacted:

Key point: House Bill 15 provided for further regulation of abortions in Texas with a focus on ensuring that pregnant women understand the ramifications of, and alternatives to abortion.

Senate Bill 7 (78R)

Non-Recognition of Same Sex Civil Unions

Senate Bill 7 provided that the state or an agency or political subdivision of the state may not recognize a public act, record, or judicial proceeding that creates, recognizes, or validates a marriage or civil union between persons of the same sex in this state or in any other jurisdiction.

The bill also established that the state and its political subdivisions do not acknowledge any right or claim to any legal protections, benefits, or responsibilities asserted as a result of a marriage between persons of the same sex or a civil union in Texas or in any other jurisdiction.

Key point: Senate Bill 7 established that same-sex civil unions cannot be recognized by the State of Texas.

House Bill 320 (78R)

Parental Consent for Administration of Drugs to Children

House Bill 320 established that a parent, guardian or managing conservator's refusal to administer psychotropic drugs or consent to the psychological or psychiatric treatment of a child, is not itself considered negligent. Specifically, the bill established that such a refusal is not negligent unless the refusal to consent presents an imminent risk of harm to the child.

Parents should have the ultimate authority to determine what is best for their child and should be able to parent their child without the interference of others, unless there is real concern about the safety of a child. The often prescribed Ritalin, for example, is a psychotropic drug and a parent’s refusal to give it to their child should be a decision made by the family, and not forced upon them by fear of being found negligent.

Key point: House Bill 320 established that parents could not be held negligent on the basis of their refusal to have psychotropic drugs or other psychiatric treatment given to a child.

House Joint Resolution 6 (79R) Protecting Marriage

House Joint Resolution 6 proposed an amendment to Article I, Section 32 of the Texas Constitution to read “marriage in this state shall consist only of the union of one man and one woman.” The amendment was ratified in the constitutional amendments election on November 8, 2005.

In placing the definition of marriage in *Article I* of the Texas Constitution, HJR 6 appropriately defined marriage as a *right* available only to one man and one woman. Strong families translate into a health society, and every effort should be made to ensure that marriage is a strong institution built on the principle of a union between one man and one woman.

HJR 6 continues to uphold the value of the family in the Texas Constitution and as such, ensures that traditional family values—a core conservative principle—remain at the center of state law.

Key point: House Joint Resolution 6 amended the Texas Constitution so that marriage in Texas may consist solely of the union between one man and one woman.

House Bill 2228 (79R) Offense of Online Solicitation of a Minor

House Bill 2228 expanded anti-solicitation laws to expressly penalize individuals who solicit minors online for sexual contact. The bill established as a state jail felony the offenses of “online sexual communication with a minor” and “online distribution of sexually explicit material to a minor.” The bill provided a third degree felony offense if an individual solicits a minor for sexual activity or makes arrangements to meet a minor. A second degree felony was established for the offense of communicating with, distributing materials to, or attempting to meet a minor

under the age of fourteen, with the intent that the minor will engage in sexual activity. The bill also required a person convicted under any of its provisions to register as a sex offender.

The sexual solicitation of minors is a depraved act that should be met with harsh criminal penalties. HB 2228 updated the Penal Code to specifically address online solicitation.

These were necessary reforms as the internet was—and remains—a common medium by which sexual predators contact minors with the intent of engaging in sexual exploitation.

Key point: House Bill 2228 provided protection for children on the internet by creating the offense of online sexual solicitation of a minor.

House Bill 839 (79R)

House Bill 904 (79R)

Penalty for Child Pornography Offenses

House Bill 839 provided that electronic equipment such as computers could be seized and destroyed after final conviction in a child pornography offense. The bill updated existing law which only allowed for printed images to be forfeited to the state and destroyed.

HB 839 ensured that the state can deal effectively with the media through which obscene images are frequently stored, accessed, and transmitted.

House Bill 904 built on reforms enacted by the 75th Legislature, which allowed the sentences for certain crimes (intoxication manslaughter and some sexual offenses) to be served consecutively at the will of a judge. This is important because child pornography offenders frequently collect multiple images or recordings, each of which can be prosecuted separately. In the absence of this bill, each offense would have to be tried separately in order for the sentences to be served consecutively.

Key point: House Bill 839 allowed for the seizure and destruction of electronic materials upon final conviction in child pornography cases. House Bill 904 allowed a judge to require that child pornography sentences be served consecutively, rather than concurrently.

House Bill 383 (79R)

Parental Right to Reasonable Corporal Punishment of a Child

Corporal punishment is often and wrongly confused with child abuse. When applied prudently, corporal punishment is an appropriate form of discipline. According to an article in the *Journal of Adolescent Health*, corporal punishment helps children learn the appropriate appreciation for authority, learn self discipline, develop better social skills, and improve moral character.

Furthermore, parents and guardians have serious rights and obligations in the upbringing of their children, including their moral, intellectual and physical development. If corporal punishment aids in the development of these objectives, then parents ought to have the right in exercising this behavioral authority. HB 383 clarified these rights and the extent to which they can be used by parents, step-parents, and legal guardians.

Key point: House Bill 383 clarified that a parent, step-parent, or legal Guardian of a child may use reasonable corporal punishment to fulfill their duty to control and discipline a child.

House Bill 2683 (80R)

House Bill 2685 (80R)

Marriage Education Courses

HB 2685 increased the fee for a marriage license from \$30 to \$60. However, the bill exempted couples who have undertaken a marriage preparation course from both the marriage license fee, and the 72-hour waiting period between the issuing of a marriage license and the date on which the marriage can take place.

Encouraging couples to undertake premarital education courses is intended to provide them with the skills necessary to resolve marital conflicts, which will make for stronger marriages that are less likely to end in failure. It is indisputable that marriage has a positive impact on the well-being of adults, children, and families, and that it improves satisfaction with life and fosters economic stability.

HB 2683 required that a minimum of one percent of federal funds received under the federal Temporary Assistance for Needy Families (TANF) block grant is directed each biennium to fund marriage education programs for low income couples.

Key point: House Bill 2685 encourages applicants for marriage licenses to take voluntary marriage preparation courses; House Bill 2683 provides funding for marriage education courses offered to low income couples.

House Bill 3687 (80R)

Religious Expression in Public Schools

House Bill 3687 required a school district to treat a student's voluntary expression of a religious viewpoint on an otherwise permissible subject in the same way it would treat their secular point of view on the same subject. The bill stipulated that a school district must allow religious gatherings of students before, during, or after school and that these groups must be given the same access to school facilities as other groups. The bill also states that a student will be permitted to express their beliefs about religion in homework, artwork, and any other written and oral assignments.

Key point: House Bill 3678 safeguarded students' First Amendment rights by clarifying that they may express their religious beliefs at school and at school-sponsored events.

House Bill 1287 (80R)

Bible Elective Course in Public Schools

House Bill 1287 allowed school districts to offer an elective course on the Bible and its impact on western literature. The purpose of the bill was to ensure that students can gain knowledge of biblical content, characters, poetry, and narratives that are prerequisites to understanding contemporary society and culture, including literature, art, music, mores, oratory, and public policy.

The bill required a course on biblical teaching to adhere to state and federal guidelines on religious neutrality. The Commissioner of Education was charged with developing and implementing resources for school districts to use when training teachers on how to teach elective Biblical courses including how to avoid devotion or proselytizing in the classroom.

Key point: House Bill 1287 allowed school districts to provide an elective course to high school students on the Bible and its impact on the history and literature of Western Civilization.

Senate Bill 378 (80R) Castle Doctrine

Senate Bill 378 removed the statutory requirement to retreat before using deadly force against an intruder. The bill established that if a criminal is injured while invading your home, business, or vehicle, the criminal or their family has a limited ability to seek legal recourse. SB 378 was an important reform that protected the rights of property owners and appropriately established that criminals are not given undue protections or rights under Texas law.

Key point: Senate Bill 378 established the presumption in law that if a criminal forcibly enters your home, place of business, or vehicle, the criminal intends to cause bodily harm or death giving the potential victim the presumption to defend himself.

House Bill 8 (80R) Prosecution of Child Sex Offenders (Jessica's Law)

House Bill 8 established a minimum sentence of 25 years imprisonment for anyone who is convicted of a sexually violent offense committed against a child who is under 14 years of age. The bill established that a second sexually violent offense committed against a child who is under 14 years of age is a capital felony.

The bill imposed severe criminal penalties on the perpetrators of sex crimes against children which will serve as both appropriate punishment and a significant deterrent.

The bill also required GPS tracking of certain registered child sex offenders. GPS tracking is a vital tool for ensuring that the state is able to keep close tabs on the violent sexual predators that it releases on parole or when their sentences are served.

GPS tracking may deter an offender from committing subsequent crimes, and makes detection, prevention, and prosecution of such crimes more straightforward for law enforcement officials.

Key point: House Bill 8 established more severe penalties for those who commit sexual offenses against young children and allows the death penalty to be pursued for a second offense.

House Bill 1034 (80R) One State Under God

Key point: House Bill 1034 added the words “state under God” to the pledge of allegiance to the state flag, so that the pledge reads: “Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”



Property Rights

SB 7 (79S2) – Prohibiting Eminent Domain for Economic Development

HB 1495 (80R) – Landowner Bill of Rights

HJR 30 (80R) – Repurchase of Condemned Property



Property Rights

Conservatives have worked to outlaw eminent domain for economic development purposes, establish a Landowner Bill of Rights, and created fair standards by which property owners can repurchase condemned property.

Senate Bill 7 (79S2) Prohibiting Eminent Domain for Economic Development

In response to the U.S. Supreme Court's *Kelo* decision—which grossly expanded the circumstances under which eminent domain powers could be exercised by government entities—Senate Bill 7 provided necessary protections for property owners in Texas. The bill established four specific instances in which eminent domain *may not* be exercised by government:

- ★ if the taking confers a private benefit on a particular private party;
- ★ if the taking is based on an alleged public use that is merely a pretext to confer a private benefit on a particular private party;
- ★ if the taking is for the purposes of economic development, unless the economic development is a secondary purpose arising from clearance of blighted areas; or
- ★ if the taking is to raise revenue for a public project.

The bill did not apply to transportation projects, including railroads, ports, airports, or public roads or highways; the provision of utility services; or a sports and community venue project. The landowner protections provided by SB 7 (79S2) were a vital first step toward securing private property rights in Texas in the light of the *Kelo* decision.

Key point: Senate Bill 7 protected private property rights by constraining the use of eminent domain by state agencies, higher education institutions, political subdivisions, and corporations created by public entities.

House Bill 1495 (80R) Landowner Bill of Rights

House Bill 1495 required the Attorney General to draft a statement of rights for property owners facing eminent domain condemnation that explains their right to notice, fair negotiation, damages, a hearing on damages, and to appeal a condemnation judgment, including an appeal of the assessment of damages.

The written statement required by HB 1495 must also describe the condemnation process, the condemning entity's obligations throughout the condemnation process, and the property owner's options.

House Bill 1495 helped to inform landowners of their rights and options when confronted with a condemnation. While such disclosure may not tip the balance of condemnation proceedings in the landowner's favor, the bill of rights may work to make the process less intimidating and empower landowners to demand and win adequate compensation as required by the Constitution.

Key point: House Bill 1495 established a Landowner Bill of Rights that will inform property owners of their legal protections when they are faced with eminent domain condemnations.

House Joint Resolution 30 (80R) Repurchase of Condemned Property

HJR 30 offered an important protection for property owners: if the government takes property by eminent domain, but ultimately never uses it, the original owner's repurchase price is the same as the amount awarded to the owner when the property was condemned. This is important because a property owner in this situation has already had their property rights abridged for an approved public use. When a condemned property is offered back to its original owner, the intended public use for the property was not realized.

Key point: House Joint Resolution 30 amended the Texas Constitution to allow the former owners of condemned property to repurchase that property for the same amount they were awarded in adequate compensation at the time of the taking.



General State Policy

HB 4 (78R) – Tort Reform

SB 14 (78R) – Insurance Reform

SB 5 (79S2) - Telecommunications Market Restructuring



General State Policy

Since 2003, the Legislature has enacted a landmark conservative reforms including tort reform, restructuring of the insurance market, and deregulation of the telecommunications market.

House Bill 4 (78R) Tort Reform

House Bill 4 improved the fair and equitable application of justice in the state while maintaining a balanced system that continues to make Texas an attractive place for business and industry. The bill addressed the threat to economic growth and development that is posed when a litigation system seems uncertain and jeopardizes the success of business, health care, and many other economic drivers as a result. HB 4 was a responsible reform of the civil justice system that ensured appropriate protections for consumers as well as the business interests of the state.

In particular, the bill addressed “class action” lawsuits by establishing conditions under which such cases may be dismissed, as well as circumstances under which a court must abate or dismiss an action. The bill also limited the amount of any fee that a court could award to the attorneys representing plaintiffs in a class action suit.

The bill also made minor adjustments in venue provisions in multidistrict litigation by clarifying procedures for consolidating cases in a single forum. Importantly, the bill relieved manufacturers or sellers of liability for a product if the product was manufactured or sold in compliance with a federal or state law, rule, or regulation unless the manufacturer or seller intentionally withheld from or misrepresented to the applicable regulatory agency information concerning the product that could have caused a harmful defect.

With regard to public schools, the HB 4 provided that professional school district employees are immune from personal liability for any act that is incident to or within the scope of their duties, except when they use excessive force in the discipline of students or cause bodily injury to students through negligence. This was an important reform because it eliminated an existing legal uncertainty over public school employee liability and provided protection for teachers.

Finally, the bill asserted that in cases related to emergency medical care, a jury must consider whether the person providing care did not have the patient’s medical history or was unable to obtain a full medical history; the lack of a preexisting physician patient relationship; the circumstances constituting the emergency; and the circumstances surrounding the delivery of emergency medical care. The bill raised the standard of proof in cases involving emergency room care from a preponderance of the evidence to “clear and convincing evidence.”

The evidence is clear that these reforms are working and is a great public policy success story: The Texas Medical Board reported in 2006 that 4,026 doctors sought Texas medical licenses. This is a huge increase from the 2,446 who sought licenses in 2001, before the tort reforms were enacted. Aside from the sheer number of doctors who are seeking to practice in Texas, Citizens Against Lawsuit Abuse (CALA) has noted that historically underserved regions of the state are seeing increased levels of coverage. CALA president Bill Summers notes that “even in areas that have been underserved for years, such as the Valley and rural Texas, we’re seeing medical professionals return to high-risk specialties.”

Key point: House Bill 4 enacted comprehensive tort reforms to bring greater balance to the civil justice system, reduce the costs associated with litigation, and address the role of litigation in society.

Senate Bill 14 (78R)

Insurance Market Restructuring

In 2003, the Legislature enacted a range of reforms to the Texas insurance marketplace. These reforms were aimed at making the insurance market more competitive. More competition in the insurance market benefits Texas consumers in a number of ways: Specifically, allowing a broader choice of products and attracting a greater number of insurers to do business in Texas both increases the availability of coverage and leads to lower premiums.

Under Senate Bill 14 the old “flex-band” system of residential property and auto rate regulation was replaced by “file-and-use”, under which insurers are permitted to use rates after they have been filed with the Department of Insurance without awaiting prior approval from TDI – provided that the rates are based on sound actuarial principles and are non-discriminatory.⁸ Both insurers that had been subject to state-set benchmark rates and insurers that previously were not rate regulated were brought under this unified rate regulation.

The evidence shows that Texas’ homeowners insurance market is far more competitive today than it was before the SB 14 reforms were passed. Between 1997 and 2003, the number of companies writing homeowner insurance in Texas declined from 166 to 101. By 2006, there were 17 new companies writing homeowners insurance, and there was a significantly higher level of competition in the market.⁹ Furthermore, companies began offering many different policy options for coverage, deductibles and exclusions, and Texans were no longer required to purchase the “one size fits all” state-promulgated policy form.

In a July 14, 2008 editorial, *The Dallas Morning News* commented that:

Except for along the hurricane-prone coast, the residential insurance market in Texas is the most stable, profitable and competitive it has been in years. The main reason is that lawmakers in 2003 gave insurers greater flexibility to compete for customers.

Homeowners' rates have dropped 6 percent in the past five years, even as home values and replacement costs have climbed dramatically. At least 29 new companies have begun writing home insurance policies in Texas. Average premiums statewide also are lower, a trend that probably will continue if lawmakers don't yield to election-year impulses.¹⁰

Key point: Senate Bill 14 restructured the insurance marketplace to make it more competitive. The bill ensured availability and price competition and prohibited price fixing and other non-competitive behaviors. As a result, homeowners' insurance rates have dropped and new companies have entered the marketplace.

Senate Bill 5 (79S2) Telecommunications Market Restructuring

Senate Bill 5 restructured the regulation of the telecommunications industry by allowing electric utilities to provide broadband internet services through power lines, providing that the Public Utility Commission (PUC) could administer a statewide video and cable franchise, and requiring a study of the Universal Service Fund. The statewide video and cable franchise permitted new entrants into the video and cable business, while allowing broadband internet service to be provided over through power lines creates additional competition and promotes greater choice for consumers.

The PUC report into the Universal Service Fund was published in December 2006 and included recommendations for consideration by future Legislatures. The report noted specifically that the "Large Company Area High-Cost Program is overdue for updating (it uses data from 1997), and that the Commission should conduct a contested case and/or rulemaking under current law to consider, at a minimum, any appropriate resizing and retargeting of funding." In 2008, the PUC acted on this recommendation by reducing and restructuring the Large Company Area High-Cost Program.

Key point: Senate Bill 5 deregulated aspects of the state's telecommunications market and introduced reforms to increase competition in the industry.

ENDNOTES

¹ “Fact Sheet: Comprehensive Immigration Reform: Improving Worksite Enforcement,” The Whitehouse, June 1, 2006.

² Texas Border Security Surge Operations' Continued Success,” *Government Technology*, April 25, 2007 at <http://www.govtech.com/gt/117907?topic=117680>

³ “The Supply of Registered Nurses in Texas – 2005,” DSHS, November 2006; <http://www.dshs.state.tx.us/chs/hprc/RNhilite.pdf>

⁴ Bill Analysis, HB 3015 (78R), May 2003.

⁵ Enrolled Bill Summary, SB20 (79S1).

⁶ Bill Analysis for SB20 (79S1).

⁷ State Energy Conservation Office, Wind Energy Transmission;

http://www.seco.cpa.state.tx.us/re_wind-transmission.htm

⁸ House Research Organization Analysis of CSSB 14 (78R).

⁹ Texas Public Policy Foundation, “Is the Free Market Working for the Texas Homeowners’ Insurance Market?” February 2006; <http://www.texaspolicy.com/pdf/2006-02-PP-homeowners-bp.pdf>

¹⁰ “Don’t Overreact to Insurance Rates,” *Dallas Morning News* Editorial, July 14, 2008.