# The 80<sup>th</sup> Legislative Session in Review

**Senator Eliot Shapleigh** 

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#### 80<sup>th</sup> Legislative Session Highlights

Dear Friends:

I am proud to share with you this account of the 80<sup>th</sup> Legislative Session representing the people of El Paso as your Texas State Senator.

When we began to plan our legislative agenda for the 80<sup>th</sup> Legislative Session, all of us agreed that the number one priority for our community was to secure \$48 million in funding to hire first- and second-year faculty for the Texas Tech El Paso Medical School. Since 1992, we have been moving forward with our Medical Center of the Americas (MCA) concept—a world-class health, education and research center dedicated to Hispanic health and anchored by the first new medical school in the United States in 30 years. In 1998, we worked with the City of El Paso to create a federal Empowerment Zone with the medical school as the centerpiece. We obtained \$50 million in 1999 to establish the Border Health Institute's permanent endowment. In 2001, we initiated plans for a research tower and classroom building at Texas Tech's El Paso campus. With the El Paso's legislative delegation, we fought to win approval of a \$40 million research tower, \$3 million for development and planning, and \$600,000 for Texas Tech's El Paso Diabetes Research Center.

In 2003, during the 78<sup>th</sup> Legislature, and with a \$10 billion budget shortfall, we worked to grant Texas Tech the authority to begin curriculum design and development for the four-year medical school. Working in conjunction with Senator Duncan (R-Lubbock), a rider was adopted to grant Texas Tech University Health Sciences Center-El Paso (TTUHSC) the authority to take the organizational and procedural steps necessary to attain accreditation of the school. In effect, this rider granted authority for a full four-year medical school in El Paso. Additionally, we worked to obtain funds for the El Paso Medical School out of the Texas Enterprise Fund. In October 2003, Governor Perry approved \$2 million for this purpose. Later that year, during the 78<sup>th</sup> Third Special Session, we crafted a rider authorizing Texas Tech to sell \$45 million in tuition revenue bonds to build additional classroom facilities. We worked with the Mayor, the City Council, and area business leaders to create a Medical Center of the Americas Foundation to master plan a truly world-class campus of interrelated programs and facilities. Finally, during that same session, H.B. 153 passed, thereby authorizing an additional \$6.3 million in tuition revenue bonds for the school.

Today, with the \$48 million appropriated this session for the medical school, the first phase of development is complete and full accreditation is now possible. With the new leaders at Texas Tech, we are focused now on accreditation in November. The first class is expected to matriculate in August 2009.

In addition to celebrating the \$48 million in funding to hire first- and second-year faculty for the Texas Tech El Paso Medical School, I want to share with you the following victories from the 80<sup>th</sup> Legislative Session:

#### Health and Human Services

- ❖ Co-sponsored H.B. 109, which covers as many as 127,000 more uninsured children through the Children's Health Insurance Program (CHIP). Approximately 11,000 El Paso children have lost their CHIP coverage since the budget cuts in 2003.
- Co-sponsored H.B. 14, the enabling legislation for H.J.R. 90, which will send a proposal to the voters to fund \$3 billion in bonds for cancer research and prevention.
- ❖ Worked on key provisions in H.B. 1, which includes \$706 million to settle *Frew v. Hawkins*, increasing reimbursement rates by 25 to 50 percent for physicians and dentists who treat children on Medicaid. H.B. 1 also addresses the U.S. Department of Justice findings at the Lubbock State School by allocating \$49 million for the biennium to meet more stringent staffing ratio requirements and integrate 250 state school consumers into the Home and Community-based Services (HCS) program. Finally, H.B. 1 appropriates an additional \$34.5 million in general revenue and \$65.4 in Temporary Assistance for Needy Families (TANF) funds to increase staffing levels to lower caseloads, enhance training and provide additional technology for the Department of Family and Protective Services.
- ❖ Passed H.B. 1168, which regulates lodge homes for mentally ill, disabled and elderly Texans. A pilot program was previously established for registration, licensing and oversight of this category of residential homes. H.B. 1168 makes the pilot program permanent and expands it statewide.

#### Public and Higher Education

- Supported key provisions in H.B. 1, increasing the State's contribution to the Teacher Retirement System from 6.0 percent to 6.58 percent (\$645 million) and authorizing an increase in teacher contributions, making possible a 13<sup>th</sup> check paid to retirees. H.B. 1 also appropriates \$285 million to provide all Texas teachers with a \$430 pay raise for each of the next two years, and \$100 million for a new scholarship program for top 10% students.
- ❖ Passed H.B. 1609 to further improve our most successful dropout prevention program, Communities in Schools (CIS). H.B. 1609 targets dropout prevention by expanding the Student Success Initiative to the 8<sup>th</sup> grade and funds teacher academies to the tune of \$42.1 million for the biennium.
- Sponsored H.B. 2814, which appropriates \$4 million for a dual language pilot program in up to 30 campuses at 10 school districts across the state, to ensure our state leads the way in a multi-lingual world. Independent studies of dual language programs have shown that dual language is the best method in which to close the achievement gap between English learners and English speakers. Dual language programs also experience lower dropout rates than other bilingual education programs.
- Supported key provisions in the area of higher education under H.B. 1, including increasing funding for UTEP by 17.82 percent with an appropriation of \$166 million, increasing funding for Texas Tech University Health Sciences Center (TTUHSC) by 33.74 percent with an appropriation of \$352 million, and adding Cancer Research as a special item for TTUHSC (\$4.8 million).

#### **Military and BRAC**

- ❖ Passed S.B. 962 which helps build the fourteen new schools that troops and families will need. The bill reduces a school district's wealth per student by 25 percent for instructional facilities allotment (IFA) purposes if the district must construct, acquire, renovate, or improve an instructional facility as a result of incoming BRAC students. With a \$4.9 million budget allocation, S.B. 962 will help BRAC-impacted school districts secure the IFA funding necessary to properly serve the children of military personnel transferring due to BRAC.
- ❖ Passed S.B. 960, which assists military dependents transferring into Texas either due to BRAC or deployment of their parents or guardians. Currently, the law allows for students transferring into Texas schools to use their SAT or ACT scores to "test out" of the math and language arts portions of the TAKS exit exams. For military dependents, S.B. 960 will extend this provision to the dependent's junior or senior year and require TEA to establish performance levels that would allow a student to test out of the social studies and science portions of the TAKS exit exams.
- ❖ Passed S.B. 1912 which assists teachers moving into the community as a result of BRAC. Texas law provides for a one-year temporary teaching certificate for teachers to use while the State Board for Educator Certification (SBEC) determines what tests the teacher must take to be certified in Texas. The bill will extend the temporary certification period for one year past the date that SBEC informs the teacher of the required tests to ensure that teachers in BRAC-impacted districts have adequate time in which to comply with SBEC's requirements.
- Amended H.B. 3107 to recreate statutorily the Veterans' Assistance Fund. A contingency rider in H.B. 1 appropriated \$2 million into the Fund to help our state's veterans with costs associated with transportation to medical care, surgery and treatment.
- \* Co-authored S.B. 685 which exempts mandatory fees, in addition to tuition, for members of the Texas Military Forces attending institutions of higher education for up to 12 credit hours per semester through the Texas National Guard Tuition Assistance Program (TAP).
- Co-authored S.B. 311 to allow employees to retain their jobs while serving in the military forces of another state. Current law, as provided by the Uniformed Services Employment and Reemployment Rights Act (USERRA), protects the jobs of reserve and guard members who are deployed to active duty. However, USERRA does not extend those reemployment rights to persons who serve in the military forces of another state and work in Texas.
- Co-authored S.B. 1058 which requires the Adjutant General's Department to develop a referral program to provide referrals to service members for reintegration services. The bill also requires the Department of State Health Services and the Health and Human Services Commission to develop a directory of services and other resources, tools, and counseling programs available to aid veterans and their immediate families in the reintegration process.

#### **Quality of Life**

- After the Great Flood of 2006, we knew El Paso had to do something to protect ourselves from flooding disasters. The rainstorms and subsequent flooding resulted in significant hardships, costs and damage to many areas within the city and county of El Paso. The flooding, which was caused by storm water drainage, created numerous health and safety issues for the residents of El Paso. In response, I passed S.B. 688 to assist the city with creating storm water districts, which will manage and control storm water drainage.
- After experiencing two years worth of rain in a matter of days, the resulting damage to our homes, businesses, infrastructure and other property was estimated in the tens of millions of dollars, and the region was declared a Federal Disaster Area. Unfortunately, homes, businesses and other property were located in arroyos or floodplains that are fed by arroyos. Those that were allowed to build in arroyos saw the most devastation during the rainfall as rushing water destroyed property and created health hazards. In response, I filed S.B. 1588 and amended its provisions into S.B. 3 to ensure that counties adopt regulations for flood plain management that are not less stringent than those set forth by the National Flood Insurance Program, and provide for the imposition of penalties on landowners that are in violation of such measures.
- The Intergovernmental Panel on Climate Change (IPCC) released an assessment report in February of 2007 regarding climate change. "Climate change" can be used interchangeably with "global warming" because the changes in temperature affect the weather patterns that people and ecosystems have become accustomed to over time. According to the report, the first six months of 2006 were the warmest period on record for the United States, and five states, including Texas, experienced record warmth. Many of our cities are already facing potential water shortages in meeting the needs of our growing cities, as well as meeting the needs of the agriculture and manufacturing sectors. In response I passed S.B. 1762 which requires the Texas Water Development Board, in coordination with the Far West Texas Water Planning Group, to conduct a study on the impact of climate change on surface water. The bill also requires the board to submit a written report regarding its findings to the legislature.
- Strongly supported a key provision on H.B. 1 that increased our State parks funding, currently ranked 49<sup>th</sup> nationwide, by 75 percent, for a total \$171.7 million and appropriated \$47.7 million for state local parks grants. With this appropriation, we will be able to invest \$500,000 in the creation of a visitors' center that will help engage and teach our community the history and splendor that is the Franklin Mountain State Park. The city's master plan locates the center on the northeast side of the Franklin Mountains. In addition, the Public Service Board (PSB) and the City will add approximately 1,850 acres of land to the Franklin Mountain State Park (1,600 acres in northeast El Paso and 200 acres in west El Paso). With this expansion come new trailheads, thereby allowing the El Paso community and the thousands of visitors from all over the country each year better access to the park. This transfer of land and development of trailheads illustrates our commitment to providing the best quality of life for El Pasoans, including the 21,000 troops and families relocating to Fort Bliss over the next five years.
- \* Border states are currently preparing for new federal security requirements mandating a passport for U.S. citizens who enter the country by land or sea. This requirement could take effect as early as January 1, 2008. Given the negative impact that this requirement

would have on commerce and tourism in Texas and particularly in the Border region, I filed S.B. 2027, and later amended S.B. 11 to authorize the Department of Public Safety (DPS) to initiate a pilot program similar to one enacted recently in Washington under which DPS would issue an enhanced driver's license for individuals who apply for one. The enhanced driver's license will look much like a conventional driver's license, but will also include proof of citizenship and other information that can easily be scanned at border ports-of-entry. Other advantages are that the enhanced driver's license costs less (about \$40 versus a \$97 passport) and will be available faster than a passport, which usually takes six to eight weeks to process.

- According to the National Center for Injury Prevention and Control, dangerous dogs, such as pit bulls, bite more than 4.7 million people a year. In Texas, dangerous dog bites and attacks are occurring at an alarming rate. Many of these attacks caused serious bodily injuries and unnecessary deaths, and were the result of owners who did not take simple measures to properly secure their dangerous dogs. In El Paso, we have had too many stories of children and the elderly becoming victims. The physical and mental suffering that the victims and families have to endure is enough cause for the punishment to be strengthened for these types of reckless occurrences. In response, I sponsored H.B. 1355 to increase the penalty to a state jail felony for an owner of a dangerous dog that is not secured properly (roaming loosely off their property) and makes an unprovoked attack that causes serious bodily injury. In the event that such an attack causes the victim's death, the penalty is increased to a second-degree felony. In addition to criminal prosecution, the owner may be subject to a civil penalty not to exceed \$10,000.
- The American Community Survey conducted by the United States Census Bureau estimated the 2005 population of El Paso County at 708,319, an increase from 679,622 gathered by the 2000 census and 591,610 in the 1990 census. Additionally, El Paso expects more than 20,000 soldiers and more than 65,000 family members as a result of BRAC (base realignment and closure) actions. Due to this considerable increase in population, El Paso County is in need of new county criminal courts at law and criminal judicial district courts. In response, I passed H.B. 4008 which adds two additional county criminal courts at law in El Paso, County Criminal Courts at Law No. 3 and No. 4. I also amended S.B. 1951 to create the 448th District Court and the El Paso County Criminal District No.1 to focus on felony drug cases.

Although these successes are considerable, let us not forget how much more there is to do. As a community, we must remain diligent in the fight to ensure that *all* of El Paso's children have access to a quality education, that more El Pasoans receive grants and scholarships to attend college, that El Paso's residents secure the health and social services they deserve, and that *all* El Pasoans have access to good jobs, quality and affordable health care, and a chance to share in the American dream.

Let us celebrate, but let us never cease to fight for a bright future for all Texans!

Very truly yours,

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Eliot Shapleigh

# Increases Funding and Improves Opportunity, Accountability and Outcomes in Higher Education

Economic vitality is associated with success in education. No community in Texas demonstrates this relationship more clearly than El Paso. In the 1950s, per capita income along the Texas-Mexico Border as a percentage of the national average plummeted so much that, in certain areas, it is now only 52 percent of the national average. In El Paso, the county's median family income exceeded the Texas average by 13 percent in 1950, but by the year 2000, it declined to 30 percent *below* the state average. In relation to education attainment levels, El Paso County began the post-war period at well above state and national parity for high school completion, but by 2000, it faced a significant decline to 15 percent below the national average for a turnaround of 24 percent.

In fact, the Texas Borderlands have the lowest levels of educational attainment in the state of Texas. Borderland universities lag behind the rest of the state in college graduation rates, providing grants to students, and in establishing Ph.D. and professional programs. The lack of attention to higher education along the Border still exists despite the South Texas/Border Initiative, which was approved in 1989. The initiative arose from a legal challenge by the Mexican American Legal Defense and Educational Fund against the state in 1987, which alleged that Border universities were not receiving their fair share of state funding. Thus, the Texas Legislature created the Initiative to help Border universities achieve parity with other Texas institutions. The initiative included increased funding, tuition revenue bonds, courses and degree programs added to each institution's academic offerings, and the alignment of five Border universities with the major university systems, primarily the University of Texas System (UT System) and the Texas A&M System (A&M System).

Despite this effort by then Governor Bob Bullock, the State continues to fail in providing adequate programs and funding, which in turn, negatively affect Border universities' ability to retain their best and brightest students.

The legislative actions taken in the higher education arena are discussed below.

#### Fights for much needed financial relief for college students through tax-free textbooks

According to the College Board, a nonprofit higher education resource that administers the AP and SAT tests, student expenses for books and supplies increased 3.4 percent in the 2003-04 academic year, which cost students at four-year institutions an average of \$843 and students at two-year institutions an average of \$745. The National Association of College Stores estimates the total college textbook market was \$6.77 billion for the 2002-03 academic year. According to the Texas Higher Education Coordinating Board, tuition rates at Texas public universities have been increasing an average of 18 percent per year since tuition was deregulated. As the cost of attending institutions of higher education increases, it is important to provide financial support to promote student participation and success. Current law does not provide college students with tax breaks for textbooks.

Senator Shapleigh joined forces with Senator Judith Zaffirini (D-Laredo) to introduce S.B. 49, which would have provided financial relief to college students who are struggling to meet the rising cost of higher education by allowing them to purchase textbooks tax-free at the beginning of the fall and spring semesters. While the legislation passed the Senate, it failed to receive a hearing in the House.

#### Works to improve accountability and graduation rates in higher education

According to the College Board, any college experience produces a measurable benefit when compared with no post-secondary education. However, the benefits of completing a bachelor's degree or higher are significantly greater. Further, the gaps between individuals who participate and succeed in higher education and those who do not have a major impact on the next generation. The young children of college graduates display higher levels of school readiness indicators than children of non-college graduates.

Thus, it is in the best interest not only of the student, but of the state as a whole, to ensure that students are able to graduate from college relatively quickly. University presidents must have a vested interest in seeing the graduation rates at their institution improve. To achieve this, Senator Shapleigh filed S.B. 554, which would have required that the employment contract of a university's president must provide for an annual performance review and that the performance review must include consideration of changes in the university's graduation rates. Unfortunately, S.B. 554 did not pass out of the Senate Subcommittee on Higher Education.

#### Works to create joint partnerships between UTEP and Texas Tech in El Paso

The Texas Tech University Health Science Center-El Paso is currently expanding into a full, four-year medical school. Across the city, the University of Texas at El Paso (UTEP) has many programs related to allied health, including programs in nursing, public health, occupational therapy, health promotion, and biological sciences. Sharing biological and biomedical resources between these institutions as it relates to biomedical education, training, and research may provide a bridge from undergraduate to graduate work in the life sciences. Other institutions of higher education in our state are likely in similar situations as UTEP and Texas Tech. A report by the Texas Higher Education Coordinating Board will help determine how these institutions can maximize their resources and offer the best services to students for the least amount of cost. Efficient use of resources will help institutions keep tuition affordable for students, thus increasing access to higher education for our state's students.

Senator Shapleigh filed and passed S.B. 649, which allows the Coordinating Board to study and submit a written report to the Legislature analyzing the ability of institutions of higher education to enter into joint partnerships involving the joint use of faculty and facilities as well as joint degree programs. The bill becomes law on September 1, 2007.

#### Provides for increased funding for new recreational facilities at UTEP

UTEP is poised for continued growth over the next decade and has already reached a student population of over 19,800. Enrollment is expected to exceed 20,000 for the Fall 2007 Semester. Student leaders recognized the growing need for expanding the recreational facilities and worked with the university to propose a fee increase. In Fall 2005, the Student Government Association

(SGA) surveyed the student body to determine whether or not there was interest in expanding the existing facilities. The survey asked what type of new facilities students wanted and if they were willing to support an increase in their recreation fee to build and operate them. After analyzing the results, the SGA held a special election in Spring 2006 on the issue of recreation facilities expansion. They proposed to increase the existing recreation fee of \$12 per semester to \$70 per semester in two increments. The \$12 fee would increase to \$20 for Fall 2007 and to \$70 for Fall 2009, with an anticipated opening of the new facilities in 2010. Students voted 799 (62%) in support and 488 (38%) against. Reflecting the students' wishes, Senator Shapleigh worked with Representative Pat Haggerty (R-El Paso) to pass H.B. 868, which authorizes an increased recreational fee for the costs for planning, constructing and operating the new facilities. The bill passed and became effective on June 15, 2007.

#### Promotes the full funding of the TEXAS Grants program

The legislature created the TEXAS Grants program in 1999 to pay for tuition and fees at institutions of higher education for every student who graduated from high school having completed the advanced or recommended coursework. Though funding for the TEXAS Grants has increased from \$100 million in the 2000-01 biennium to \$334 million in the 2006-07 biennium, there is not enough funding to keep up with the demand of eligible students. Over 70,000 students lost their TEXAS Grants in the last two years due to tuition deregulation and frozen funding, yet the number of eligible students continues to increase. If the current situation continues, 75 percent of students eligible for TEXAS Grants will not receive financial aid through the program.

Senator Shapleigh proudly co-authored S.B. 1176 filed by Senator Rodney Ellis (D-Houston), which requires the Texas Higher Education Coordinating Board to determine and certify to each eligible institution the total amount of money necessary for the institution to award the full amount of a TEXAS Grant to each eligible applicant who enrolls at that institution. The bill requires institutions to award the full amount of the TEXAS Grant to each eligible applicant; however, it also allows the institution to reduce the applicable amount awarded to a student under certain circumstances. The bill also prohibits an institution that fails to meet these requirements from using certain unobligated or appropriated funds. Despite having nine coauthors, the bill failed to pass out of the Senate Education Committee.

#### Advocates for increased information and planning regarding the cost of higher education

Adopted in October 2000 by the Texas Higher Education Coordinating Board with the strong support of the state's educational, business and political communities, "Closing the Gaps" is a state master plan that outlines the goals of closing the gaps in higher education participation and success, educational excellence, and funded research over the next 15 years. The plan, which is directed at closing educational gaps within Texas, as well as between Texas and other states, has four goals: to close the gaps in student participation, student success, excellence, and research.

In the current revised goals and targets, the plan calls to close the gaps in participation by adding 630,000 more students by 2015. The plan includes strategies for reaching each of the goals and an annual performance measuring system. The plan does not, however, provide a finance plan—the amount of funding beyond what is required to adequately fund public higher education to meet the goals set out in "Closing the Gaps."

As a result, Senator Shapleigh filed S.B. 1377, which requires the Coordinating Board to study and determine the additional amount of public higher education funding needed to meet the goals set out in "Closing the Gaps." The report would then be submitted to the chair of each legislative standing committee and subcommittee with primary jurisdiction over higher education or state appropriations. While S.B. 1377 was left pending in the Senate Subcommittee on Higher Education, the concept was amended into Senator Judith Zaffirini's (D-Laredo) S.B. 1234, which passed both houses of the Legislature. Unfortunately, Governor Perry vetoed S.B. 1234, so the concept in S.B. 1377 did not become law.

#### Works for improved reporting data from Texas's private institutions of higher education

Currently, only public institutions of higher education in Texas are required to submit student and institutional performance data to the Texas Higher Education Coordinating Board (THECB). To better assess current performance results of private institutions of higher education, Senator Shapleigh filed S.B. 1572, which would have required those institutions to report similar student and institutional data to THECB. The data would be available to prospective students, researchers, and other interested parties on THECB's web site; pooling this information in a centralized location would allow easy access to student and institutional performance data for all institutions of higher education in Texas, whether the institution is public or private. While S.B. 1572 passed the Senate, it died in the House Calendars Committee.

#### Fights to increase and improve student participation in higher education

The state's master plan for higher education, "Closing the Gaps" calls for an additional 630,000 students to participate in higher education in this state by 2015. Student participation in higher education has been proven to correspond to higher levels of income, lower levels of unemployment and poverty, and higher levels of civic participation. Yet, at the same time that Texas needs more of the state's students to participate in higher education, institutions of higher education are being priced out of reach for many residents of this state.

Senator Shapleigh filed S.B. 1573, the 21st Century College Success Act, to further increase and improve student participation in higher education. S.B. 1573 would have achieved this through three means. First, all institutions of higher education would have been required to provide an online portal for students to get information about their finances and academic status. This would give students an easy way to see all of their financial information, including how much money they owe for the current semester, how much is currently being paid for with grants, scholarships, or loans, and the status of their financial aid. It would also give students information on their academic status including how many hours they are currently taking, what classes they have completed (both at their current school and any transferred hours), and information about courses required for graduation.

Second, S.B. 1573 would have instituted a three-year moratorium on tuition and fee increases, after which a 5 percent cap on any increases would apply. College students are being priced out of higher education. More and more often, students are forced to take time away from their courses to work and to take out expensive loans that they will not be able to pay off for many years down the road. Since tuition deregulation took effect in 2003, total academic charges at UTEP have gone up 47 percent. With the moratorium and the 5 percent increase, students and

their families will be able to plan for how to pay for their degree. When they can map out any potential increases in tuition and fees, they will know just how much money it will cost to graduate.

Third, S.B. 1573 would have required local public universities to provide 60 days written notice of any proposed fee increases in the regional newspaper. This will ensure that students, families and the community are made aware of any fee increases taking place at local universities. S.B. 1573 was left pending in the Senate Subcommittee on Higher Education.

#### Works to reform the student loan industry in Texas

Today's college students graduate saddled with enormous amounts of student loan debt. According to The Project on Student Debt, debt levels for graduating seniors with student loans more than doubled from \$9,250 to \$19,200 over the past decade. Student debt has gone up nationally at the same time that Texas's tuition costs have dramatically spiked over the past four years. Since tuition deregulation took effect in 2003, total academic charges at UTEP, for example, have increased 47 percent.

Recent news reports have uncovered potentially severe conflicts of interest by employees of financial aid offices in universities across the country. Major lending companies have offered gifts to financial aid employees and encouraged the employees to purchase stock in the lending companies. Texas must act to prevent even the semblance of conflicts of interest and other ethical lapses by those in financial aid offices who may have the power to steer students to a particular loan company.

Senator Shapleigh filed S.B. 2048 to reform the student loan industry in Texas, particularly in regard to the industry's relationship with financial aid offices in Texas universities. The bill would have precluded a person employed in the financial aid office of an institution of higher education from owning stock or other ownership interest in a student loan lender, other than through ownership of shares in a publicly traded mutual fund or a similar investment vehicle. The bill also would have prevented a person employed in the financial aid office of an institution of higher education from soliciting or accepting any gift from a student loan lender. To unify their concepts, Senators Shapleigh, Royce West (D-Dallas), and Judith Zaffirini (D-Laredo) combined their respective bills into S.B. 2049, which was amended onto H.B. 3851 by Representative Geanie Morrison (R-Victoria). Regrettably, the language from S.B. 2049 was removed in conference committee, so the concepts failed to pass.

#### Establishes a Texas Compact to improve Texas's pursuit of excellence in higher education

In 2000, the Texas Higher Education Coordinating Board issued 'Closing the Gaps," a 15-year master plan for higher education that aims to increase participation rates, achieve higher levels of identifiable student success, increase the number of nationally recognized programs at Texas colleges and universities, and increase federal funding for science and engineering research. Although some progress has been made toward achieving the benchmarks established in 'Closing the Gaps," a July 2006 THECB progress report acknowledges recent trends that suggest it is unlikely the goals will be accomplished by 2015. Texas must improve its pursuit of educational excellence to better prepare the workforce of the future and avoid a decline in its own economic competitiveness.

Working with Representative Geanie Morrison (R-Victoria), Senator Shapleigh passed HC.R. 159. The concurrent resolution creates a commission to draft a Texas Compact that develops a framework of state policy that encourages institutions of higher education to focus on their core missions, engage regional civic, business, and academic leaders to address local and statewide economic priorities, and establish globally recognized centers of excellence in education. H.C.R. 159 became law on June 15, 2007.

# Supports Teachers and Brings Flexibility, Accountability and Innovation to Public Education

One of the state's largest investments is in the public education system, with more than one-third of the state's non-federal revenues dedicated to pre-kindergarten through 12<sup>th</sup> grade education. Sixty percent of local property taxes go to support school districts. Despite this investment, the funding available cannot meet the needs associated with an increasing enrollment of students across the state. An increasing number of public schools are ranked as low-performing, the state has a shortage of qualified teachers, and high school dropout rates are extremely high. In addition, child care shortages limit options for after-school care. The state's over-reliance on the local property tax has placed tremendous pressure on communities to cover the state's obligation to provide a basic education. Furthermore, this reliance on local property taxes even more strain on communities along the Border that have lower property values.

Senator Shapleigh's bills associated with public education are discussed below.

#### Works to require school districts to address dating violence amongst students

Section 11.252 of the Education Code requires each school district to have a district improvement plan. The purpose of the district improvement plan is to guide district and campus staff in the improvement of student performance in order to attain certain state standards. Currently, the district improvement plan does not address dating violence, although 43 percent of girls and 42 percent of boys have reported that they experienced physical aggression in a relationship on school grounds. Senator Shapleigh co-authored S.B. 86, filed by Senator Chuy Hinojosa (D-McAllen), which would have required each school district to adopt and implement a dating violence policy to be included in its district improvement plan. The bill was referred to the Senate Education Committee but was never given a hearing.

### Increases funding and accountability for Communities in Schools, the state's largest dropout prevention program

The Communities in Schools (CIS) program is an exemplary stay in school program funded in part by the Texas Legislature. CIS is the largest dropout prevention program in the state, and CIS-Texas is the largest CIS program in the nation. The 27 Texas CIS programs are 501(c)(3) non-profit organizations established to support schools by working with at-risk students to decrease the dropout rate. CIS helps students improve in academics, attendance and behavior, encouraging more students to stay in school, graduate and prepare for college and employment. CIS is also one of the few programs actually housed in the schools. CIS is unique because it is able to leverage local private dollars to help fund its program. Last year, CIS received about \$20 million in state funding and then raised an additional \$30 million from various state, federal, and local sources. This is a 150 percent return on state investment, and this number will increase correspondingly as the state's investment in CIS increases.

More than two million Texas students are at-risk of dropping out. This is especially prevalent in the Hispanic and African-American populations, as these two populations account for over 75 percent of all students who drop out in Texas. Notably, during the 2005-06 school year, CIS

touched almost 76,000 students, including high school students at risk of dropping out, middle school students struggling with making the transition, and elementary students needing help with basic skills.

Sponsored by Senator Shapleigh, H.B. 1609 gives the Commissioner of Education the ability to shut down consistently poor-performing CIS programs and redistribute their funding through a competitive process to other CIS programs. The bill also aligns the CIS accountability metrics with those stated by the national CIS office to be the program's priorities, including improved attendance, behavior, academic achievement, promotion and graduation as well as a lower dropout rate. State funding was also increased for CIS to a total of \$42.2 million over the biennium. The bill becomes law on September 1, 2007.

### Ensures that high school students are aware of the availability of college credit programs, including advanced placement and dual credit programs

College credit programs, including advanced placement programs, dual credit programs, joint high school and college credit programs, and international baccalaureate programs, demonstrate the state's commitment to maintaining access and affordability in higher education. These programs provide an opportunity for high school students to pursue rigorous advanced subjects often available only at the college level. Students benefit by accelerating completion of their college degree programs, reducing the cost of their college education, and thus entering the work force sooner. High schools are a good place to begin recruiting students to participate in college-level courses and programs, but if students and parents are not informed about these programs, then some college-bound students may miss opportunities to get a head start on their higher education.

Filed by Senator Mario Gallegos (D-Houston), S.B. 282 requires school districts to notify parents of students in high school about the availability of programs under which a student may earn college credit. Senator Shapleigh amended language onto the bill requiring that high school counselors discuss with high school freshmen the availability of college credit programs, including advanced placement programs, dual credit programs, joint high school and college credit programs, and international baccalaureate programs. S.B. 282 passed and became law on June 15, 2007.

#### Works to promote high-quality technology products in Texas' schools

School districts across the state realize the necessity of immersing their students in technology. As more school districts purchase education technology products aimed at promoting student learning, more vendors enter the market and attempt to sell their products to districts. However, no statewide standards exist to ensure that the products sold to districts meet a certain minimum level of quality. Senator Shapleigh introduced S.B. 373, which would have required the Texas Education Agency, in coordination with the Department of Information Resources, to develop standards that a vendor must meet to sell, lease, or license education technology products to a school district. Regrettably, the bill did not pass out of the Senate Education Committee.

#### Strengthens physical activity requirements for elementary and middle school students

Research has shown that being overweight in childhood often continues into obesity in adulthood. It is essential that healthy habits begin early in life to establish a foundation that will last a lifetime. As obesity rates increase, chronic disease risks also increase. The top three leading causes of death—heart disease, stroke, and cancer—can be linked to obesity. In an effort to help address childhood obesity, Senator Shapleigh co-authored S.B. 530 filed by Senator Jane Nelson (R-Flower Mound), which strengthens the physical activity requirement for elementary and middle school students and establishes a confidential fitness assessment as a tool to gauge fitness levels. The bill passed and became law on June 15, 2007.

#### Establishes a dual language pilot program across Texas

In the 2006-07 school year, almost 50 percent of the students enrolled in the first grade in three of the largest school districts in the state, the Houston, Dallas, and Fort Worth Independent School Districts, were classified as Limited English Proficient. The data for those school districts represent a growing statewide trend that will pose significant challenges to educators of these children.

Dual language education programs promote bilingualism, biliteracy, and grade-level academic achievement by placing both native English-speaking and non-English speaking students together in one classroom. Studies of dual language programs have shown that both non-native and native English-speaking students who receive grade-level cognitive and academic instruction in both their first and second languages for numerous years succeed at the end of high school. Dual language programs also experience lower dropout rates than other bilingual education programs. The effectiveness of these programs is well known, and there are currently 247 two-way dual language programs in our public schools across the state.

To increase opportunities for school districts to offer dual language programs, Senator Shapleigh filed S.B. 553, or the 21st Century Texas Educational Competitiveness Act, to establish pilot programs to study the effectiveness of dual language education. The bill's language was amended onto H.B. 2814 by Representative Rob Eissler (R-The Woodlands) and successfully passed. The bill became law on June 15, 2007.

#### Promotes easy access to information for our state's teachers

A wide variety of information related to the teaching profession is available to Texas teachers. However, much of that information is not available in a central location, thus not allowing easy access for our state's teachers. By gathering and placing this information online, it will reduce the amount of time and effort teachers must expend to locate the information. Senator Shapleigh filed S.B. 648, which would have required the Texas Education Agency to post on its web site a variety of information relevant to the teaching profession. Specifically, the bill would have required web site information relevant to the teaching profession, including information regarding: educator certification, including alternative certification information; school district job vacancies; the teacher appraisal process; continuing education requirements and opportunities; and other important topics. Regrettably, S.B. 648 died in the Senate Education Committee.

#### Works to increase access to technology in our public schools

Technology funding for school districts has remained near the same level for the last decade. However, Texas school children must have increased technology access to become technology literate and gain the skills needed for the 21st century workforce. Texas has to regain its momentum in educational technology by dedicating funds for creating models and funding 21st century classrooms.

Senator Shapleigh filed S.B. 780 to offer a solution for creating better technology advancements and training for students and teachers in Texas schools. S.B. 780 accomplished this through two means. First, the bill increased the technology allotment. The increases in the allotment would be staged over the next five years to allow schools and districts to effectively plan and implement proven, successful programs that increase student learning, empower more students to pursue higher education, increase teacher productivity, and increase parent and community involvement in education. Second, S.B. 780 expanded the research and development of 21st century school models in the state by expanding the Texas Technology Immersion Pilot (TxTIP) to high schools that enroll the students from existing TxTIP middle school experimental sites and expanding TxTIP to 31 additional sites across the state.

Throughout the session, Senator Shapleigh worked closely with Representative Rob Eissler (R-The Woodlands), Chairman of the House Public Education Committee. Representative Eissler filed companion legislation in the House, which passed the House unanimously, but failed to receive the approval of the Senate Education Committee.

#### Pushes for increased accountability and compliance for bilingual education programs

Currently, language in the Texas Public Education Code does not include on-site monitoring in the monitoring process of bilingual education and special language programs. As a result, it is impossible to know if the necessary components of bilingual education programs are implemented consistently throughout Texas. School districts do not always properly identify English Language Learner students, and parental denials are leading to students being placed in incorrect academic programs.

To increase accountability, Senator Shapleigh co-authored S.B. 834, which was filed by Senator Judith Zaffirini (D-Laredo). The purpose of S.B. 834 was to restore on-site compliance monitoring of bilingual education programs. The bill directed the Texas Education Agency to monitor electronically school districts' compliance with bilingual education laws and regulations on an annual basis and to monitor compliance on-site every five years. The bill would have ensured that school districts are consistently meeting the needs of students in bilingual education and special language programs. Unfortunately, the legislation failed to receive a hearing in the Senate Education Committee.

#### Works to reward Texas teachers who achieve National Board Certification

As Texas moves towards a knowledge-based economy, our students must be competitive with other states. One of the most important pieces to meeting this challenge is through highly trained, well qualified teachers. National Board Certification, developed by teachers for teachers, is a symbol of professional teaching excellence. This certification program establishes

advanced standards for experienced teachers that test their knowledge with other highly trained teachers throughout the nation. An independent, multi-year study of more than 600,000 students in North Carolina found that students whose teachers were nationally certified increased their scores an average of seven percent on their year-end math and reading tests.

Currently, of the approximately 302,000 teachers in the state, Texas only has 317 with National Board Certification, which falls far short of Florida's 9,234 nationally certified teachers and California's 3,655 nationally certified teachers. To improve these numbers, Senator Shapleigh filed S.B. 1220, which would have established a statewide program to reward Texas teachers who achieve National Board Certification with a \$5,000 annual stipend. S.B. 1220 was referred to the Senate Education Committee, but failed to receive a hearing.

#### Fights to reform education funding by giving more local control over state funding

Texas is an enormous state with varied demographics and regional needs. As a result, what may be successful for the public education system in Texarkana may prove problematic in Eagle Pass, and what may work in Lubbock might not in Port Arthur. As a means of providing more regional control over state education funding, Senator Shapleigh filed S.B. 2053, which would have created a pilot program to establish education benchmarks as a prerequisite to certain categories of education funding. Under the bill, the state P-16 Council would be required to adopt a regional plan for school districts that establishes short-term, intermediate, and long-term goals to be attained by schools in areas such as college recruitment, with special emphasis on the recruitment of minority students; preparation of high school students for further study at colleges and universities; reduction of the dropout rate and dropout prevention; and teacher education, recruitment, and retention. For the two regions in the state participating in the pilot program, these short-term, intermediate, and long-term goals would serve as the targets toward which each region must work. As the campuses and school districts meet the goals, state funds parked in an escrow fund would be disbursed to campuses in the region. S.B. 2053 failed to receive a hearing in the Senate Education Committee.

#### Protects school children by requiring "three-point" seatbelts in all new public school buses

Seatbelts are mandatory safety equipment in nearly all types of vehicles, including cars and small buses. However, current law does not include such requirements for large school buses and charter buses. On March 29, 2006, a chartered school bus transporting 23 soccer players from West Brook High School in Beaumont overturned, killing two girls and causing numerous injuries to others on the bus. The bus was not equipped with seatbelts. With nothing restraining a student in the student's seat, tragedies such as this can occur more often than necessary, as the student can be thrown around inside and even ejected from a bus. To correct this, in a bi-partisan effort, Senator Shapleigh joined forces with Representative Mike Hamilton (R-Mauriceville), and co-sponsored H.B. 323 which requires all new buses purchased by a school district, including school buses, school activity buses, and school-chartered buses, on or after September 1, 2010, to be equipped with three-point (lap/shoulder) seatbelts, and all buses contracted for use by a school district on or after September 1, 2014, to be equipped with three-point seatbelts. The new measure becomes effective on September 1, 2007.

## Reforms Campaign, Government, Insurance and Electoral Reform Laws

Currently, there are inadequacies in Texas' disclosure system in relation various laws dealing with state government. For example, in the area of campaign finance, while the Government Code states that "[t]he people insist on remaining informed so that they may retain control over the instruments they have created," the state lacks full transparency of its multi-million dollar political campaigns.

Senator Shapleigh's bills associated with campaign finance, government, insurance and electoral reform are discussed below.

#### Fights to protect Texans who are medically insured in the event of limb loss

Insured families in need of prosthetic or orthotic devices are facing benefit caps, lifetime benefit caps, or the complete elimination of prosthetic or orthotic device coverage. Currently, insurance companies are authorized to limit or exclude prosthetic or orthotic device coverage in a health benefit plan. A growing number of group and private insurance companies cap benefits for such devices to the extent that the average working family is unable to afford the cost of a prosthetic or orthotic device. For example, many insurance policies limit coverage to \$2,500 or less per year, whereas the average cost of a basic below-the-knee prosthetic costs \$7,500 and the average cost for a basic above-the-knee prosthetic is \$13,000. Lifetime caps can have a further detrimental impact on insured families with children who have lost a limb as it becomes necessary to purchase replacement prosthetics to accommodate the child as he or she grows.

Senator Shapleigh co-authored S.B. 54 by Senator Judith Zaffirini (D-Laredo), which would have required certain health benefit plans to provide coverage for prosthetic and orthotic devices and services relating thereto equal to that of Medicare benefit levels to ensure that Texans who are medically insured are protected in the event of limb loss. S.B. 54 was referred to the State Affairs Committee, but it did not receive a hearing.

#### Fights for open government and access to public information

Current law allows a member, agency, or committee of the legislature to obtain one copy of public information for legislative purposes at no cost from a state agency. This limits the opportunity for no-cost information only to state agency information, which is an unnecessary limitation that can have the effect of precluding the open transfer of information. The public's right to know is vital in an effective, efficient democracy. As stewards for the public, legislators and the legislative bodies that support them should have the least obstructed access to information within reason. Senator Shapleigh filed S.B. 478, which would have allowed a member, agency, or committee of the legislature to obtain, without charge, one copy of public information from any governmental body. S.B. 478 died in the State Affairs Committee.

### Encourages state government to give preference to contractors who provide health insurance to workers

Current law requires state entities to look at a number of factors in awarding governmental contracts, but does not provide for consideration of a vendor's provision of health care coverage in awarding such contracts. Employers nationwide are increasingly dropping workers from employment-based health coverage. In 2002, the number of U.S. residents insured by their employers dropped by 1.3 million to 61.3 percent of the total population. In 2004, the total percentage of Texans who had employer-based insurance dropped to 51 percent.

A high number of uninsured persons in a community results in a heavy tax burden on local and county hospital districts and health care providers. Uninsured persons with progressed illnesses resort to seeking emergency medical care, requiring local taxpayers to pay the price for the uninsured at much higher costs.

Similar to the entire U.S.-Mexico border region, the City and County of El Paso are hosts to some of the most uninsured populations. As proposed, S.B. 412 gives preference in state, county, city, governmental and university purchasing decisions to vendors that provide health benefits to their employees, provided that the vendor's goods or services meet the required specifications and the cost of the goods and services does not substantially exceed the cost of similar goods and services. To protect smaller businesses, it also prohibits the same entities from giving preference to a vendor that provides health benefits over a vendor with 50 or fewer employees that does not provide health coverage to its employees. Although S.B. 412 did not receive a hearing, Senator Shapleigh worked with several legislators in trying to get this legislation amended onto other bills. Senator Mike Jackson (R-La Porte) managed to place an amendment onto H.B. 447 by Representative Callegari (R-Houston). However, the House of Representatives later removed this measure during Conference Committee.

### Works toward prohibiting the investment of state funds in certain private business entities doing business in Sudan

Current law does not place any restriction on the ability of the Employees Retirement System of Texas (ERS) to invest in companies that are beneficial to the Sudanese government and are indirectly facilitating the genocide occurring in Sudan. ERS may be investing in these companies and this bill restricts ERS from doing business with certain companies associated with the Sudanese government.

This bill differs in very significant ways from Sudan divestment legislation passed in states like Illinois and New Jersey since the proposed Texas legislation targets only the small subset of companies operating in Sudan that have problematic behavior (so called "scrutinized companies"—less than 15 percent of multinational corporations operating in Sudan).

S.B. 247 mandates engagement with scrutinized companies before any divestment action is taken. The state pension funds will have very little administrative expense associated with this bill because all material for researching and engaging problematic companies is publicly available and free of charge to ERS. S.B. 247 protects ERS by excluding certain "hard to target"

investments and providing an opt-out if a pension fund can objectively demonstrate that divestment has had a negative impact on its portfolio.

Senator Shapleigh co-authored S.B. 247 by Senator Ellis, which requires ERS to engage and possibly divest from certain companies doing business in Sudan. Only those companies that substantially benefit the central government, provide little benefit to Sudanese citizens, and who have failed to address their role in indirectly facilitating Sudan's genocidal capacity are covered in this bill. This bill successfully passed both the House and Senate and was signed by Governor Perry, and will take effect January 1, 2008.

#### Pushes to increase openness and honesty in political advertising

In March 2002, President Bush signed into law Public Law No. 107-155, The Bipartisan Campaign Reform Act of 2002 (BCRA). The law took effect after the 2002 elections. BCRA requires federal candidates (or their authorized committees) to meet certain conditions when directly referring to opponents in their ads in order to receive the lowest unit charge from broadcast stations. A candidate must provide a written certification to the broadcast station stating that the candidate, or any authorized committee of the candidate, will not refer directly to any opponent without meeting the following requirements: 1) radio broadcast advertisements must include an audio statement of approval from the candidate on whose behalf the ad is run; and 2) television broadcast advertisements must air an identifiable image of the candidate and a written approval from the candidate at the end of the ad for at least 4 seconds. If a federal candidate does not meet these requirements when directly referring to an opponent in a broadcast advertisement, the candidate will not be entitled to receive the lowest unit charge for that broadcast, or any other broadcast occurring thereafter, during the 60-day period before a general election or the 45-day period before the primary election. In an attempt to align state law dealing with political advertisement with the Federal BCRA of 2002, Senator Shapleigh filed S.B. 421. Unfortunately, the bill was not granted a hearing in the State Affairs Committee.

#### Proposes limits on political campaign contributions

Currently, the state of Texas places no limits on the amount that individuals may contribute to political campaigns. Many other states impose limits, and the federal government maintains a \$101,400 limit on the total amount an individual may donate to federal candidates, political action committees (PACs) and political parties during a two-year election cycle. According to Texans for Public Justice, in the 2004 election cycle, 87 individuals or couples donated more than \$100,000 each to state candidates and political committees. Many Texas citizens worry that such contributions provide those donors with disproportionate political power. In response, Senator Shapleigh filed S.B. 423 to limit to \$100,000 the total amount of political contributions by an individual per two-year election cycle. Specifically, the bill would have prohibited individuals, partnerships, partners or limited liability corporations from contributing more than \$100,000 total during an election cycle to political committees established by a political party; candidates for or holders of a state office; and committees established to support or oppose a candidate. The limits would have applied to the period beginning January 1 of an odd-numbered year and ending December 31 of the following even-numbered year.

The bill also would have required committees and candidates to reject contributions that they know to exceed the limits or return them within 10 days of knowing that the contributions exceed the limits. If a third party is used to distribute political contributions to a candidate, the bill would have required the receiver of the funds to report the contribution and notify the candidate for whom the funds are intended the amount, date, and the name and address of the donor. Finally, the Election Commission would have been required to conduct a comprehensive computer review of political contributions made by individuals to determine if donors had exceeded the campaign contribution limit. Unfortunately, the bill was not granted a hearing in the State Affairs Committee.

#### Fights to limit lobbying by former members of the Governor's staff

"Revolving door" is a term commonly used to describe a potentially corrupting interrelationship between the private sector and public service. It is a process through which former lawmakers and government employees use their inside connections and knowledge to advance the policy and regulatory interests of their industry clients. Most states across the nation have passed broad laws restricting former members of a Governor's staff from lobbying the legislature or other entities in state government. In Texas, Governor Rick Perry has an ethics policy prohibiting exiting executive staff from lobbying his office for one year and one legislative session after they leave, but this bar does not extend to lobbying the legislature or state agencies. In addition, this policy is not state law. Aware of this, Senator Shapleigh filed S.B. 424, which would have prohibited a former member of the Governor's executive staff from engaging in activities that require registration under Chapter 305 (as a lobbyist) for a period of one year upon separation of employment from said office. Exceptions would have been made for individuals employed by a governmental entity or a hospital or institution of higher education that is exempt from federal income tax under Section 501(c)(3), Internal Revenue Code of 1986.

#### Fights to regulate political telephone solicitation

Push polls are used either to persuade respondents away from a particular candidate, or for those in a neutral position, into supporting the poll sponsor's candidate, or, alternately to suppress voter turnout for the opposing candidate altogether. Current law defines political advertising as communication supporting or opposing a candidate for nomination or election to a public office or office of a political party, a political party, or a public officer. Because push polls and attack phone banks are conducted principally by telephone, there is rarely any paper trail to follow and there is no liability for the pollster or the entity underwriting the calls. Push polls are often targeted at particular groups of voters based on age, race, ethnicity or some other distinguishing characteristic. In response, Senator Shapleigh filed S.B. 599, which would have established certain regulations of political telephone solicitation as an effort to curb the most abusive political "push polls." This bill would have required that callers disclose the source of the call, thereby informing the recipient of the potential bias. Unfortunately, the bill died in the State Affairs Committee without receiving a hearing.

#### Supports early access to voting rosters

Under current law, during the early voting period, the early voting clerk is required to update the early voting roster daily. The law stipulates that information on the roster for a person who votes an early voting ballot by personal appearance shall be made available for public inspection not later than the beginning of regular business hours on the day after the date the information is entered on the roster. Because of this, voter information is at times reported 48 hours after the vote took place. Further, under current law, each roster only needs to be maintained in any form approved by the Secretary of State. In an attempt to clarify this, Senator Shapleigh filed S.B. 958, which would have required that the voting roster be updated at the end of each day when the vote took place and to provide the information in electronic format on an Internet web site maintained by the County or on the Secretary of State's web site. Unfortunately, the bill was not granted a hearing in the State Affairs Committee.

#### Promotes voter security and paper record for electronic voting machines

Every election brings a flurry of disturbing stories about things that go wrong at the polls, many of them involving electronic voting. Electronic voting provides no way to know if anyone has made a mistake, whether there is a software or machine error, or if volunteer poll workers have been properly trained on how to handle new technology. Even if there are no mistakes, critics say that electronic voting leaves no way to double-check a close election. To help prevent such discrepancies, 27 states including California, New York, Illinois and Ohio now require electronic voting machines to produce a voter-verified paper trail. Lastly, current law provides set protocols to address the security concerns of most voting machine systems, such as optical scan systems, but there is no formal protocol for direct recording electronic (DRE) voting systems.

To eliminate these problems, Senator Shapleigh filed S.B. 1006, which would have provided that a direct recording electronic voting machine must create a paper record of each electronic ballot cast for the voter to privately and independently view. Upon confirmation, the ballot would then be deposited into a secure storage area. If the paper record and the electronic record differ then the vote would have been invalidated and the paper record destroyed, and a new paper record generated. Except for a recount, the electronic vote would have been the official record of the vote. Lastly, S.B. 1006 would have provided specific protocol for the testing of DRE system software and for the conduction of accuracy tests on the machines, and outlines security measures for the transport of and external access to DRE systems. The bill died in the State Affairs Committee without being granted a hearing.

#### Promotes unemployment benefits for victims of family violence

Unemployment benefits ease the burden of job loss by allotting the newly unemployed financial assistance while the person seeks new employment. Maintaining an independent source of income is critical for victims of domestic violence or stalking. Senator Shapleigh joined forces with Senator Judith Zaffirini (D-Laredo) and co-authored S.B. 142, which authorizes employees to use a protective order, a police record, or a physician's statement or other medical documentation as evidence of family violence against the employee for purposes of unemployment benefits. Under the current law, the employee must present all three forms of

evidence to qualify. The bill also modifies the requirements for a physician's statement or medical documentation describing the family violence. While S.B. 142 did not pass, its companion, H.B. 550 did pass. The new law became effective on June 15, 2007.

### Fights for open transparency and the standardization of ethical practices on state contracting, including the training of personnel and negotiation of contracts

Currently, weaknesses exist in the statutes and regulations related to state agency contract solicitation, negotiation, and management. The manner in which state agencies engage in contracts with vendors is of vital concern because it directly affects the use of state appropriated financial resources, and, in some cases, the termination of state employee positions. In recent years, accounts have arisen alleging that some state agency employees have engaged in improper actions while working on state contracts. The announcement of this state's gradual withdrawal from its health and social services contract with Accenture's Texas Access Alliance demonstrates the need for increased oversight and training in the contracting process. For the second time. Senator Shapleigh joined forces with Senator Judith Zaffirini (D-Laredo) and co-authored S.B. 769, which would have improved the processes by which state agencies solicit, negotiate, enter into, and manage contracts with vendors. This bill expanded the training processes for employees involved in contracting, thus improving contract reporting mechanisms for state agencies, requiring needed provisions to address amendments, and addressing ethical issues specific to contracting. Finally, this bill would have established a stronger, more stringent review process prior to contract approval. Unfortunately, the bill died on the House of Representatives Major State Calendar.

#### Provides property tax relief for Texas' senior citizens

A reduction in school property taxes was enacted through legislation that was passed during the 79<sup>th</sup> Legislature, 3rd Special Session. Currently, under Section 1-b(d), Article VIII of the Texas Constitution, homeowners who are 65 years of age or older, or homeowners who have a disability, are eligible to receive a ceiling on the amount of school property taxes they will owe on their homestead based on the amount they owed the year they qualified for the freeze. Therefore, in order for elderly and disabled Texans to receive a proportional reduction in ad valorem taxes, there must be an allowance for such a reduction in the Texas Constitution and a statutory change in law. In a bipartisan effort, Senator Shapleigh joined forces with his colleague Senator Kip Averitt (R-Waco) and co-authored S.J.R. 13, which proposes a constitutional amendment authorizing the legislature to provide for a reduction of the limitation on the total amount of ad valorem taxes that may be imposed for public school purposes on the residence homesteads of the elderly or disabled to reflect any reduction in the rate of those taxes. Texans will vote on the Senate joint resolution in November 2007.

#### Improves security for users of unmanned teller machines (ATMs)

In recent decades, automatic teller machines (ATMs), have become a mainstay of American life. Located both at banks and in other publicly accessible locations, ATMs provide customers with a great deal of convenience. However, security concerns exist in the public consciousness regarding the use of ATMs, particularly during night-time hours. New security measures will

make ATM use safer, benefiting banks and customers. Realizing this, Senator Shapleigh joined forces with Representative Marc Veasey (D-Fort Worth) and sponsored H.B. 1795, which authorizes the Finance Commission of Texas to establish rules that enhance customer security through the implementation of new technologies. The new law became effective on June 15, 2007.

# **Supports Texas' Defense-dependent Communities Deal with the Department of Defense Base Closure and Realignment Process**

As Chair of the Subcommittee on Base Realignment and Closure (BRAC), Senator Shapleigh has been diligently helping the State and Texas' defense-dependent communities deal with the Department of Defense's (DOD) 2005 round of base closures and realignments. In the 78<sup>th</sup> Legislative Session, Senator Shapleigh created legislation to help communities and the State lay the groundwork to combat potential closures. In the 79<sup>th</sup> Legislative Session, his efforts were focused on helping communities deal with the changes resulting from BRAC 2005.

Texas is home to an array of defense installations, defense-dependent communities, and defense industries. Texas' 18 major military installations comprise 11 percent of the nation's military forces. Texas' history with past BRAC rounds shows that there is little certainty in the economic outcome for a defense-dependent community. Some closures have resulted in great economic benefits for both the DOD and the defense communities while other closures have left communities struggling to recover from the economic loss.

During the 80<sup>th</sup> Legislative Session, Senator Shapleigh worked on and passed key legislation to support defense-dependent communities. The legislative actions taken in the BRAC arena are discussed below.

#### Fights to simplify graduation requirements for the children of Texas service members

Tens of thousands of military students from other states and overseas will relocate to Texas over the next several years due to Base Realignment and Closure and the re-basing of our active duty service members. In El Paso alone, over 10,000 school-aged children will be moving into area school systems by 2011. Military children generally move six to nine times during their K-12 school years, and many make multiple moves during the high school years alone. Often these students will not know where they will graduate until their junior or senior year due to the service member's variable career progression and repeated transfers. Due to the high number of moves, military students are often part of numerous state education systems, all with different educational requirements, standards and graduation requirements. A non-mobile child in the state of Texas, however, will have the opportunity to build the educational foundation needed to meet graduation requirements. When a student in Texas starts his first day of school, he or she is prepared and educated to the curriculum standards required for high school graduation.

Currently, Texas requires students to meet three criteria to graduate from high school: credit accrual, course requirements, and passing scores on the TAKS test. State law allows for students transferring into Texas schools to use their SAT or ACT scores to "test out" of the math and language arts portions of the TAKS exit exams. This provision was put in place by H.B. 25, which passed during the 79<sup>th</sup> Legislative Session. However, this statute is limited to students who transfer in during the second semester of their senior year of high school, thus affecting a very small number of students.

To help military dependents transferring into Texas schools, Senator Shapleigh filed S.B. 960, which would have extended this provision to the dependent's junior or senior year and required the Texas Education Agency to establish performance levels that would allow a student to test out of the social studies and science portions of the TAKS tests—thus, all four TAKS tests. S.B. 960 received overwhelming support and passed both houses of the Legislature. However, Governor Perry wetoed the bill, thus preventing it from becoming law. Senator Shapleigh will file the bill again in the 81st Session and continue to fight for our state's military dependents.

#### Works to increase public education funding for the children of Texas service members

The thousands of military students relocating to Texas due to BRAC will result in an additional 10,000 students in El Paso by 2011. Furthermore, thousands of soldiers stationed across Texas are serving our country in Operation Iraqi Freedom and Operation Enduring Freedom. Both groups of soldiers' children face a special set of challenges: adjusting to a new school and community as well as a different curriculum; the emotional strain and loss of parental assistance when one or both parents are stationed abroad in a war zone, particularly when death or injury occur; the further difficulties presented by the death of classmates' parents; and the increased likelihood of being "at risk" of falling behind or dropping out as a result of these difficulties. While all students who move to new communities have a greater likelihood of being "at risk," the huge volume of BRAC transfers creates a problem and cost well beyond the norm. The added difficulties associated with overseas deployment exacerbate the problem.

Thus, Senator Shapleigh filed S.B. 961, which provided for an increased allotment to assist with extra educational costs for students whose parents are service-members and transferring into Texas as a result of BRAC, and for students who have a parent or guardian, who is serving in a combat zone as a member of the armed services or Texas National Guard. This increased allotment would have allowed school districts to address the need for additional counselors, intensive "catch-up" instruction and other specialized programs, both to assist relocating military students and to help students deal with the impact of parents who are in combat overseas. S.B. 961 passed the Senate, but unfortunately died in the House Calendars Committee.

### Helps BRAC-impacted school districts build the additional schools necessary to handle the large number of incoming military dependents

The Instructional Facilities Allotment (IFA) program provides state assistance to school districts in making debt service payments on qualifying bonds or lease-purchase agreements. Currently, prioritization of IFA funding exists in the event that insufficient funds are appropriated to cover all submitted requests for aid. Districts that submit a qualified request for IFA funding are ranked from poorest to wealthiest, and the requests are funded until the limit of funds has been reached.

Due to BRAC, over 50,000 troops and dependents will relocate to El Paso over the next four years, including approximately 10,000 school-aged children. Fort Sam Houston in San Antonio will grow by over 11,000, including 2,200 school-aged children. Senator Shapleigh filed S.B. 962 to help these BRAC-impacted school districts pay for the new schools that they will need. S.B. 962 will help BRAC-impacted school districts secure the IFA funding necessary to properly serve the children of military personnel by reducing a school district's wealth per student by 25

percent for purposes of IFA prioritization if the district must construct, acquire, renovate, or improve an instructional facility to accommodate incoming BRAC students. S.B. 962 passed and becomes effective September 1, 2007.

#### Assists BRAC-impacted school districts when hiring out-of-state certified teachers

When an out-of-state teacher moves to Texas, Texas law provides for a one-year temporary teaching certificate for teachers to use while the State Board for Educator Certification determines what tests the teacher must take to be certified in Texas. Occasionally, through no fault of their own, teachers are not left with enough time to comply with the testing requirements of SBEC. For example, if a teacher who applies to SBEC in July 2007 and selects August 2007 as the start date for the temporary certification, that one year certificate will run until August 2008. If SBEC is slow in responding to the applicant and doesn't get back to the teacher until May 2008 regarding what tests they need to take for certification and one of the tests the applicant is required to take is not offered from May through August, then the teacher is unable to comply in time.

To prevent this from hampering BRAC-impacted school districts, Senator Shapleigh filed and passed S.B. 1912. The bill extends the temporary certification period for one year past the date that SBEC informs the teacher of the required tests. This will ensure that teachers in BRAC-impacted districts have an adequate time in which to comply with SBEC's testing requirements. The bill became effective on June 16, 2007.

#### Works to help BRAC-impacted school districts hire experienced, well-qualified teachers

The 2005 round of Base Realignment and Closure (BRAC) impacted Texas significantly. At El Paso's Fort Bliss, current estimates place the total net population gain by 2011 at almost 50,000 soldiers, military students, and family members, including over 10,000 school-aged children. At San Antonio's Fort Sam Houston, the population will increase by 10,200, with approximately 2,200 school-aged children. This massive influx of school-aged children places a huge demand on the communities' school systems.

These impacted districts must adapt to this enormous growth by hiring many more teachers. At the same time, school districts want to be able to hire experienced, well-qualified teachers. Currently, retired teachers can be rehired, but the employing school district must pay a surcharge of 12.4 percent of the teacher's salary to the Teacher Retirement System. Additionally, each district that employs a retired teacher who is enrolled in the Texas Public School Employees Group Insurance Program must contribute to the fund the difference between the contribution amount that the retiree is required to pay to participate and the full cost of the retiree's participation in the group program.

To help BRAC-impacted school districts hire experienced, well-qualified teachers, Senator Shapleigh filed S.B. 1913, which would have allowed BRAC-impacted school districts to hire a retired teacher without having to pay either surcharge. This would have made well-qualified, experienced teachers available to these school districts at the same cost as other teachers. While S.B. 1913 passed the Senate, it failed to receive a final vote in the House before the close of session.

# Improves Quality of Life for Military Personnel and Veterans Living in Texas

Over 225,000 members of the various military branches are currently stationed in Texas. Texas' various installations provide substantial capability in almost every military mission. Capabilities include aerospace research and development, light infantry and flight training, medical training, military intelligence, security, naval mine warfare, and firefighter training. Moreover, over 1.7 million veterans call Texas home. They contribute to local economies and communities significantly. During the 80<sup>th</sup> Legislative Session, Senator Shapleigh worked diligently to support both military personnel and their families and to support the many veterans in Texas.

#### Removes limits regarding which handicapped parking spaces a disabled veteran may park

Some handicapped parking spaces have a "Blue Placard Only" sign, which limits parking for those persons with a severe degree of ambulatory handicap who have a corresponding parking placard. Thus, veterans who have a disabled veteran's license plate are only permitted to park in a "Blue Placard Only" space if he or she has applied and paid for a blue placard. It makes no sense to force our veterans to wade through an extra layer of bureaucracy to park in certain handicapped parking spaces. Senator Shapleigh joined forces with Senator Chris Harris (R-Arlington) in co-authoring S.B. 251, which allows disabled veterans to park in any spot reserved for disabled persons if they have a state-issued disabled veteran license plate. The bill passed and will become law on September 1, 2007.

#### Fights to provide continued tax exemptions to Texas service members

Current state law limits homestead tax exemptions for military personnel to two years if they are stationed out of state but still within the United States. This extension is indefinite if the service member is assigned overseas. Similar extensions for the retention of other privileges, such as eligibility to vote in this state or state residency, are also indefinite, regardless of whether a service member is stationed within the United States or overseas. Co-authored by Senator Shapleigh, Senator Leticia Van de Putte (D-San Antonio) introduced S.B. 299, which would have extended residence homestead tax exemptions to Texas homeowners who are stationed out of the state by the military but still inside the United States. While the bill was successfully voted out of the Senate, it died in the House Ways and Means Committee.

#### Ensures that students called to active military service can receive tuition and fee refunds

Currently, a student can receive a refund from a university or college when called to active military service. However, career and vocational schools are not required to give a refund to a student called to active military service. Senator Shapleigh co-authored S.B. 309 by Senator Leticia Van de Putte (D-San Antonio), which requires career schools and colleges to refund tuition and fees to a student who withdraws from the institution as a result of being called to active military service. This bill also authorizes the student to choose to take an incomplete and re-enroll at no additional cost within 12 months of finishing military service. In addition, S.B. 309 authorizes a student to receive an appropriate final grade or credit if an instructor determines

that the student has completed a substantial portion of the course. The bill becomes law on September 1, 2007.

#### Allows the Texas Veterans Commission to grant performance incentive awards

Under legislation enacted by the 79<sup>th</sup> Legislature, the Texas Veterans Commission (TVC) assumed the administration and operation of Veteran Employment and Training Services. However, TVC lacks specific authority to grant a performance incentive award, as required by the Federal Jobs for Veterans Act. Federal law mandates that one percent of grants be assigned through these awards. This bill conforms state law to the federal mandate. Senator Shapleigh joined Senator Leticia Van de Putte (D-San Antonio) in authoring S.B. 310, which authorizes the TVC, rather than "a state agency" to grant a performance incentive award to certain individuals or organizations. The bill passed and will take effect on September 1, 2007.

### Protects the reemployment rights of service members who serve in the military forces of another state but work in Texas

Current law, as provided by the Uniformed Services Employment and Reemployment Rights Act (USERRA), protects the jobs of reserve and guard members who are deployed to active duty until they return for up to 60 months. Under this law, Texas must ensure the reemployment rights of Texas guard members who work in Texas. However, USERRA does not extend those reemployment rights to persons who serve in the military forces of another state but work in Texas. This has a particular impact in areas of Texas that border other states, such as El Paso. Senator Shapleigh joined forces with Senator Leticia Van de Putte (D-San Antonio) to pass S.B. 311, which allows Texas employees to retain their jobs while serving in the military forces of another state. S.B. 311 became law on June 15, 2007.

#### Fights to lower state fees for disabled veterans

Currently, disabled veterans are exempt from paying the fee to obtain a driver's license, but not from paying the fee for obtaining a personal identification certificate from the Department of Public Safety. Some disabled veterans who need official state identification may not qualify for a driver's license, thereby requiring them to pay the fee for such identification. To exempt those veterans from the fee, Senator Shapleigh co-authored S.B. 371 by Senator Tommy Williams (R-The Woodlands), which would have exempted an honorably discharged service veteran with a 60 percent disability who receives disability compensation from the federal government from paying the personal identification certificate fee. Unfortunately, while S.B. 371 passed the Senate, it died in the House.

#### Fights for life insurance premium reimbursement for Texas National Guard members

The federal service members' group life insurance program offers service members on active duty life insurance policies up to \$400,000 for a monthly premium. Monthly premiums range from \$4.25 for \$50,000 of coverage to \$29.00 for \$400,000 of coverage. Since September 11, 2001, an estimated 15,000 Texas National Guardsmen have been deployed in armed conflicts. Texas has a duty to assist these Guardsmen who are serving our country overseas. Senator Shapleigh filed S.B. 374, which would reimburse Texas National Guard members who are

deployed in a hostile fire zone for their life insurance premiums. The federal government recently acted to reimburse service members active in Operation Enduring Freedom and Operation Iraqi Freedom for their life insurance premiums. As a result, Senator Shapleigh felt that the Texas National Guardsmen were being assisted and opted not to have S.B. 374 heard by the Senate Finance Committee.

### Promotes the ability of veterans to participate in the historically underutilized business program

Currently, historically underutilized businesses (HUBs) are defined as those businesses owned by economically disadvantaged persons, including members of certain racial groups and women, who have suffered the effects of discriminatory practices or other similar circumstances over which the person has no control. The mission of the state's HUB program is to facilitate the use of HUBs in state procurement. The state has no authority, however, to consider a business owned by a disabled veteran or a Purple Heart recipient as an underutilized business.

Co-authored by Senator Shapleigh, Senator Leticia Van de Putte (D-San Antonio) introduced S.B. 381 to include disabled veterans and recipients of the Purple Heart medal in the definition of economically disadvantaged persons for the purposes of state efforts to increase the use of historically underutilized businesses. The bill was referred to the State Affairs Committee but never received a hearing.

#### Works to improve the affordability of higher education for Texas veterans

Current law requires a veteran's federal education benefits to be exhausted before the veteran is eligible to use the benefits granted to the veteran by the state's Hazlewood Act. As a result, veterans may find it difficult to pursue higher education and complete a degree program within a reasonable amount of time because of the cost of the education and the need for employment to support a family. Senator Shapleigh co-authored S.B. 516 by Senator Leticia Van de Putte (D-San Antonio), which would have authorized veterans to use their Hazlewood and veteran's federal education benefits concurrently. This would have allowed Texas veterans to access their Hazlewood benefits at the same time they are using their federal benefits so that they can focus on completing a degree program in a more timely manner. S.B. 516 was amended onto S.B. 1640 in a slightly altered form, authorizing veterans to use their Hazlewood and veteran's federal education benefits concurrently if the value of the federal benefits does not equal or exceed the value of the exemption. S.B. 1640 became law on June 15, 2007.

### Fights to increase death benefits for the survivors of Texas National Guard members killed in duty

Under current law, the death benefit for a member of the state military forces who is killed or disabled while engaged in authorized training or duty is approximately \$21,000. As of January 2007, ten Texas National Guard members had lost their lives in Afghanistan and Iraq. Other states, such as Ohio, have recently considered legislation to increase the death benefit. Filed by Senator Rodney Ellis (D-Houston), S.B. 518 would have increased the death benefit to \$250,000 for an eligible survivor of a member of the Texas National Guard who has died after September 11, 2001 while serving on federal active duty or serving in a named military operation on active

duty under state authority in accordance with Title 32 of the United States Code. Senator Shapleigh co-authored the bill. Unfortunately, the bill died in the House.

#### Fights to lower property taxes for disabled veterans

When returning due to injuries from battle, soldiers are discharged and then graded by the United States Department of Veterans Affairs (VA) on the severity of their disability. The VA's disability ratings range from zero to 100 percent, where a veteran's final rating is that number rounded to the nearest "ten." For example, a veteran leaving the service with a 24 percent disability rating will have an official and final rating of 20 percent. If the rating is 98 percent, then the veteran would be bumped up to 100 percent disabled. Though seemingly similar, "100 percent disabled" and "totally disabled" are two separate ratings. Based on these ratings, the State of Texas currently provides veterans a sliding scale of exemptions from certain ad valorem property taxes.

Co-authored by Senator Shapleigh, Senator John Carona (R-Dallas) filed S.B. 666, which would have exempted persons who are 100 percent disabled or totally disabled as a result of a service-connected disability according to the VA from all ad valorem property taxes on their homestead. While the bill passed the Senate, it died in the House.

#### Provides for property tax relief for veterans

Veterans with service-related injuries receive a disability rating ranging from zero to 100 percent disabled. Based on these ratings, the state provides veterans a sliding scale exemption from certain ad valorem property taxes. Realizing this, Senator Shapleigh joined forces with Senator John Carona (R-Dallas) in a bipartisan effort and co-authored S.J.R. 29, which proposes a constitutional amendment to authorize the exemption from ad valorem property taxes of the homestead residence of a disabled veteran who receives a rating of "100 percent disabled" or "totally disabled." The measure passed and will be on the November ballot for voter approval.

#### Lowers the cost of higher education for members of the Texas military forces

Currently the Texas National Guard Tuition Assistance Program provides an exemption from the payment of tuition to an institution of higher education. In 2004-05, 864 students received awards through the program. Assisting students at Texas public and independent (private) institutions of higher education, the program applies to both undergraduate and graduate students. However, it only applied to the payment of tuition. Senator Leticia Van de Putte (D-San Antonio) filed S.B. 685 to exempt mandatory fees, in addition to tuition, for members of the Texas Military Forces attending institutions of higher education for up to 12 credit hours per semester through the Tuition Assistance Program. Senator Shapleigh gladly co-authored the legislation. The bill passed both houses of the Legislature unanimously and became law on June 15, 2007.

#### Works to lower the cost of higher education for the children of Texas veterans

The Hazlewood Act, in the Texas Education Code, provides 150 credit hours of free tuition and free or reduced fees at public colleges and universities for eligible veterans of the armed forces.

However, even though this state is home to 1.7 million veterans, only about 8,000 to 9,000 veterans are currently using this exemption. Although veterans, through their service to the United States, are entitled to the benefit themselves, a veteran is not able to allow a family member to use the entitlement in the event the veteran is unable to use the hours to his or her own benefit. To correct this, Senator Leticia Van de Putte (D-San Antonio) filed S.B. 874, which would have authorized veterans who have not used their Hazlewood Act exemption to designate one child of the veteran to use the remaining tuition exemption in his or her place. Senator Shapleigh proudly co-authored this bill. S.B. 874 passed the Senate, but unfortunately died in the House.

#### Lowers the cost of specialty license plates for Texas' disabled veterans

Almost all specialty license plates produced by the Texas Department of Transportation (TxDOT) can be manufactured with the International Symbol of Access (ISA). However, the current design of four plates prevents inclusion of the ISA. Per TxDOT, those plates are the Congressional Medal of Honor plate, the Legion of Valor plate, the Texas Guard plate, and the U.S. Congress plate. As a result, Texans with disabilities who qualify for a disabled license plate and want one of the four specialty plates must choose one or the other—a specialty license plate or a disabled license plate. This will undoubtedly impact veterans before any other citizen, as only veterans will apply for three of the four specialty license plates. Instead, these veterans must apply for a disabled person placard to hang from their rearview mirror, which costs \$5. There is no fee, however, for a Congressional Medal of Honor plate or a Texas Guard plate, and the Legion of Valor plate currently carries a \$3 charge. Furthermore, there is no fee for a disabled person license plate. As a result, disabled veterans must bear an added cost when they are forced to purchase the disabled person placard.

Recognizing this unneeded burden, Senator Shapleigh filed S.B. 959, which requires that all specialty license plates be designed in a manner that can incorporate the ISA for Texans who would qualify for a disabled license plate. The bill passed and will become effective on September 1, 2007.

#### Establishes a program to provide referrals to service members for reintegration services

Many veterans struggle with traumatic brain injuries and post-traumatic stress disorder and, as a result, have trouble reintegrating into family and work life upon returning from combat. Of the 244,054 veterans of Iraq and Afghanistan already discharged from service, 12,422 have been treated through VA counseling centers for readjustment problems and symptoms associated with post-traumatic stress disorder. A 2004 Army study found 16.6 percent of those returning from combat tested positive for the disorder.

Senator Shapleigh co-authored S.B. 1058 by Senator Royce West (D-Dallas), which requires the Adjutant General's Department to develop a program to provide referrals to service members for reintegration services. The bill also requires the Department of State Health Services and the Health and Human Services Commission to develop a directory of services and other resources, tools, and counseling programs available to aid veterans and their immediate families in the reintegration process. S.B. 1058 passed and will become effective on September 1, 2007.

#### Exempts the estates of service members killed in a combat zone from paying probate fees

During the United States military's involvement in Operation Iraqi Freedom and Operation Enduring Freedom, 322 Texans have been killed in combat as of June 25, 2007. The families of these soldiers are then faced with beginning the costly process of probating an estate. Probate fees in Texas vary from county to county. In Tarrant County, the fee is \$220 for four letters of testamentary, while in Lubbock County, filing fees fluctuate from \$211 to \$235 depending on the form. To honor the sacrifice of our veterans in whatever way possible, Senator Shapleigh joined forces with Representative Carl Isett (R-Lubbock) to pass H.B. 3787, which exempts the descendants of soldiers killed in combat zones from filing fees associated with probating an estate. H.B. 3787 became law on June 15, 2007.

#### Reestablishes the Fund for Veterans' Assistance

The Fund for Veterans' Assistance (Fund) is a special fund in the state treasury outside the general revenue. Money from the Fund may be appropriated to the Texas Veterans Commission both to enhance or improve veterans' assistance programs, including veterans' representation and counseling and to make grants to local communities to address veterans' needs. The Fund was not exempted from the 79<sup>th</sup> Legislature's funds consolidation bill, and as a result, the Fund failed to exist. Senator Shapleigh successfully placed an amendment on H.B. 3107 by Representative Carl Isett (R-Lubbock) to recreate the Fund. H.B. 3107 passed, and as of August 27, 2007, the Fund was recreated. Thanks to the hard work of Senator Robert Duncan (R-Lubbock), the Fund was appropriated \$30,000 by the Legislature. Further funding can be given via gift or grant.

#### Expedites determination of eligibility for persons in the armed forces on Medicaid

TRICARE health network is a common health care provider for military personnel and their families. In certain areas in the state, TRICARE is lacking physician participation. This problem can be especially difficult on military families when there is a need for a medical specialist. Military personnel and families can opt to apply for Medicaid since many meet the income eligibility requirements for Medicaid. A 45-day waiting period is typical when applying for Medicaid and if the application is approved the benefits are granted retroactively. However, during the 45-day waiting period, an applicant is required to pay medical costs out of pocket.

Senator Shapleigh co-sponsored H.B. 1633 by Representative Charlie Geren (R-River Oaks), which expedites the approval process for military families waiting to be approved for the medical assistance program. This measure was successful in passing both the House and Senate and was signed by Governor Perry; it will take effect on September 1, 2007.

#### **Promotes Use of Technology to Enhance Access to Government**

The Internet and access to technology have changed our lives and our communities significantly over the past decade. Ready and fast access to information has transformed the way that students learn, people communicate, and businesses operate. More than ever, access to information allows the opportunity for people with various backgrounds and levels of education to compete academically, economically and socially. The information revolution, spurred by the spreading use of high-speed Internet, will benefit more people and more communities than ever imagined. With the proliferation of Internet-based services, governments and businesses are able to reach more people and operate more efficiently and effectively.

Senator Shapleigh has worked diligently during his tenure in the Legislature to expand access to technology to all Texans. With Senator Shapleigh at the helm, Texas has continuously invested in technology, and all citizens are benefiting. This Session, legislation to expand the use of the Internet through TexasOnline was an important goal. Senator Shapleigh created TexasOnline, the nation's largest and number one state internet portal during the 76<sup>th</sup> legislative session.

### Clarifies existing law to increase the efficiency of TexasOnline, the number one state internet portal in the United States

Senator Shapleigh continued in his efforts to improve what is now the top state internet portal in the nation. While current law allows the use of TexasOnline for "point-of-sale" transactions, some agencies do not consider that this term of art includes "person-to-person" transactions. Therefore, TexasOnline is not used for certain transactions, such as the At-Track Licensing Offices for the Texas Racing Commission. This causes the Texas Racing Commission to have to maintain a separate contract with different credit card rates to process credit cards on those At-Track transactions. In addition, some agencies, including the Department of Public Safety, wanted statutory authority to use TexasOnline to track payment for person-to-person transactions that take place in regional or district offices, such as driver's license renewals. Agencies that use TexasOnline are required by statute to have a link to TexasOnline on the agency's web site. However, users of TexasOnline should receive a consistent ease of movement between TexasOnline and agencies' web sites, which is not always available. Aware of these issues, Senator Shapleigh filed S.B. 687 to clarify that, for purposes of payments through TexasOnline, the term "point-of-sale" refers to person-to-person transactions, automated processes that facilitate person-to-person transactions, and personal transactions conducted at an automated kiosk. TexasOnline may be used to track credit card and cash payments. The bill also gave the Department of Information Resources (DIR) the authority to adopt rules ensuring consistency between TexasOnline and individual agency web sites. This law took effect on June 15, 2007.

### Succeeds in ensuring that TexasOnline can provide information and access to necessary permits for starting a business in Texas

In most cases, citizens wanting to start a business have to fill out as many as 30 different permit applications; this process generally involves inputting much of the same information on every single form. In an effort to reduce the number of times a citizen must provide the same

information to multiple state agencies, and thus reducing the level of frustration many citizens go through when attempting to start a business, Senator Shapleigh filed S.B. 711 to make it easier for citizens to start a business in Texas through the creation of a Consolidated Business Application (CBA) by the Department of Information Resources. With the proposed CBA, citizens would have answered a few questions, and then the system would have determined which permits are needed. For state agencies, this bill would have reduced the amount of paperwork that they must process, saving them money over time. This bill would also have improved citizen compliance with state laws and regulations. Having less paperwork to fill out would also have reduced the margin of error. Initially, the CBA would have allowed people to start the permit application for three types of businesses: retail/restaurant/convenience store, construction, and child/elder care. While the legislation passed both chambers, Governor Rick Perry vetoed the bill on June 15, 2007.

# **Encourages Wealth Building by Eliminating Predatory Lending Practices**

One of Senator Shapleigh's legislative priorities is the exposure and quashing of predatory lending practices that hinder increased access to capital for all Texans. Throughout his tenure in the Texas Senate, Senator Shapleigh has consistently fought for consumers in Texas, arguing that the American Dream should be accessible for all Texans. During this Legislative Session, Senator Shapleigh led the fight against predatory lending practices and made great inroads to curbing abuse in lending and expanding access to capital.

### Works to close the relationship between Credit Services Organizations (CSOs) and third party lenders

Texas' CSO statute was intended to provide guidance for entities that offered legitimate debt repair or counseling services to Texans. As such, the CSO statute is overly broad, and not intended to apply to entities that arrange short-term consumer loans in high volume. Since July 2005, most major payday lenders have registered as Credit Services Organizations (CSOs) under Chapter 393 of the Finance Code. This industry move came as the Federal Depository Insurance Corporation (FDIC) began to prohibit its member banks from serving as financial partners with companies doing payday lending. As CSOs, these payday out fits are no longer subject to Texas' small loan law or regulation by the Office of Corsumer Credit (OCC). Although the OCC is obligated to set rates, payday CSOs are able to circumvent these rates in spite of Section 342.008, which prohibits such attempts to evade the law: A person who is a party to a deferred presentment transaction may not evade the application of this subtitle or a rule adopted under this subchapter by use of any device, subterfuge, or pretense. Under the CSO model, the CSO-payday lender charges the consumer with a fee based upon the amount borrowed, and then computes 10% interest on the loan based upon extension of credit made by a third party lender, who has an established relationship with the payday-CSO storefront or Web-based service.

In response, Senator Shapleigh filed S.B. 857, which would have made it explicitly clear that any entity offering deferred presentment transactions or payday loans are subject to Section 342 of the Finance Code, and that CSO registration does not insulate them from adhering to the rates set by the Office of Consumer Credit. Additionally, SB 857 stipulated that CSOs should not extend credit when they have a relationship with the lender. The bill would have amended Subchapter D, Chapter 393, Finance Code, to prohibit CSOs from facilitating credit to consumers if CSOs are affiliated with the lender, collect fees on behalf of the lender, or receive an economic interest in the loan revenue, among other prohibitions. While the measure was heard in the Business and Commerce Committee, a vote was not granted.

#### Works to create a predatory lending database

Payday lending products have come under recent scrutiny by consumer advocates, federal regulators, and the U.S. military. Payday loans are short-term loans with annualized interest rates that range from 300 to 1,000 percent APR. Currently, payday lending operates in 37 states, with a patchwork of state laws and regulations that govern their use. Recent federal actions have

spawned significant changes in the payday lending industry. Prior to this year, payday lending in Texas operated through the "rent-a-bank" or "rent-a-charter" model, in which payday outfits partnered with out-of-state banks to make loans to consumers. This scheme enabled Texas payday lenders to avoid state usury limits and rate limits established by the Office of Consumer Credit Commissioner. Under this arrangement, Texas payday lenders claimed the status of "brokers" and assigned their partner banks as the "lenders."

Since 2005, however, the Federal Deposit Insurance Commission (FDIC), the primary regulatory agency for federally chartered banks, has effectively ended this practice. In response, nearly all payday lenders in Texas registered as Credit Services Organizations, pursuant to Chapter 393 of the Finance Code. This move enabled payday lenders to avoid even limited regulation by the Office of Consumer Credit. This switch also enabled some lenders to turn in their OCC licenses. More importantly, payday lenders were no longer obligated to submit data to the OCC Commissioner, and as a result, Texas regulators have no official data regarding an industry that conducts over 2 million transactions approaching \$1 billion per year. Further, in 2006, the U.S. Congress passed the Talent-Nelson Amendment, as part of the National Defense Reauthorization Act, providing specific protection to active duty military service members and their dependents. The federal law establishes rate limits for military consumers to 36% APR effective October 2007. To ensure that the federal law is being followed by Texas payday lenders and to make effective public policy regarding adequate consumer protections and potential rate limits, it becomes imperative to collect independent and reliable data upon which to base those decisions.

In response, Senator Shapleigh filed S.B. 753, which would have established a data collection system, required that lenders be certified by the Office of Consumer Credit, and mandated an annual report to the Legislature. These requirements would have applied to all entities offering payday loans or "deferred presentment transactions" including Internet-based outfits and CSOs. This proposed legislation was modeled on other states that have data collection and enforcement components in their payday lending statutes. While the bill passed the Senate, it was not given a hearing in the House Financial Institutions Committee.

#### Attempts to close the Credit Services Organization (CSO) loophole

Texas' CSO statute was intended to provide guidance for entities that offered legitimate debt repair or counseling services to Texans. As such, the CSO statute is overly broad, and not intended to apply to entities that arrange short-term consumer loans in high volume. Since July 2005, most major payday lenders have registered as Credit Services Organizations (CSOs) under Chapter 393 of the Finance Code. This industry move came as the Federal Depository Insurance Corporation (FDIC) began to prohibit its member banks from serving as financial partners with companies doing payday lending. As CSOs, these payday outfits are no longer subject to Texas' small loan law or regulation by the Office of Consumer Credit. Although the OCC is obligated to set rates, payday CSOs are able to circumvent these rates in spite of Section 342.008, which prohibits such attempts to evade the law: A person who is a party to a deferred presentment transaction may not evade the application of this subtitle or a rule adopted under this subchapter by use of any device, subterfuge, or pretense. Under the CSO model, the CSO or payday lender charges the consumer with a fee based upon the amount borrowed, and then computes 10%

interest on the loan based upon extension of credit made by a third party lender, who has an established relationship with the payday-CSO storefront or Web-based service.

In an attempt to close this loophole, Senator Shapleigh filed S.B. 856, which would have made it explicitly clear that CSOs should not extend credit when they have a relationship with the lender. The bill would have prohibited CSOs from facilitating credit to consumers if CSOs are affiliated with the lender, collect fees on behalf of the lender, or receive an economic interest in the loan revenue, among other prohibitions. While the bill was given a hearing in the Senate Business and Commerce Committee, a vote was not granted.

#### Fights to outlaw predatory lending in Texas

Since July 2005, most major payday lenders have registered as Credit Services Organizations (CSOs) under Chapter 393 of the Finance Code. This industry move came as the Federal Depository Insurance Corporation (FDIC) began to prohibit its member banks from serving as financial partners with companies doing payday lending. As CSOs, these payday outfits are no longer subject to Texas' small loan law or regulation by the Office of Consumer Credit. Although the OCC is obligated to set rates, payday CSOs are able to circumvent these rates in spite of Section 342.008, which prohibits such attempts to evade the law: A person who is a party to a deferred presentment transaction may not evade the application of this subtitle or a rule adopted under this subchapter by use of any device, subterfuge, or pretense. When faced with high fees, many borrowers take on extra debt which only exacerbates the original financial crisis. Sky-high APRs play a role in perpetuating this cycle of debt that could be avoided by enacting sufficient regulations and setting rate limits. Texas payday lenders currently charge rates exceeding 300 to 1,000 percent APR; these rates are at least twenty times the cost of highinterest credit cards. Other states, including Georgia, have taken action against payday lenders. In 2004, Georgia enacted a law to curb payday lending abuses, capping the interest rate on small consumer loans, and barring non-bank lenders from partnering with out-of-state banks.

In an attempt to emulate similar efforts, Senator Shapleigh filed S.B. 858 to limit annualized interest charges for deferred presentment transactions to 36% APR. The bill would have amended Subchapter E, Chapter 342, Finance Code, to prohibit CSOs and entities offering payday loan fees and interest that exceed 36%. This restriction would have aligned state law with recently enacted federal law limiting military lending to 36%. While this bill was heard in the Business and Commerce Committee, a vote was not granted.

#### Fights to regulate refund anticipation loans (RALs)

Refund anticipation loans (RALs) are short-term, high-cost loans secured and repaid by an individual's tax refund from the IRS. The annual percentage rate (APR) for RALs ranges from 70 to 700 percent due to the numerous fees associated with RALs. Tax preparers and RAL lenders rarely report this rate b consumers. Instead, they report a lower rate that does not account for the fees associated with the loan. Tax preparers offering RALs engage in aggressive advertising campaigns during tax season, and at times, mislead consumers about the available options. Brokers rarely make it clear to consumers that they can receive their refund from the

IRS in as little as 10 days without utilizing these high-cost, high-risk loans. In many cases, consumers are not even aware that they have taken out a loan.

RALs erode the benefits of the Earned Income Tax Credit for working Texans. During 2003, nearly two million Texas taxpayers received federal Earned Income Tax Credit refunds worth about \$3.8 billion. However, an estimated \$251 million of these public funds never reached the taxpayers. Commercial tax preparers received the majority of these funds—nearly \$166 million—assisting taxpayers in navigating the complex tax laws just to claim their earned benefits. The remaining \$85 million consisted of refund anticipation loans, which allowed taxpayers to receive some, if not all, of their money approximately one week earlier than they would have without the loan. In response, Senator Shapleigh filed S.B. 879 to provide for the regulation of tax refund anticipation loans or checks with certain penalties. Unfortunately, the bill was not granted a hearing in the Business and Commerce Committee.

#### Fights to protect Texas' service members from predatory lenders

Payday loans, or deferred payment transactions, are designed to be short term, emergency loans for people who have no alternative. Military men and women are commonly targets of abusive payday lenders, as they have a steady income from the government. At deployment time, when military families are faced with extra expenses at home and abroad, they may be more vulnerable to the promise of quick cash from payday lenders. As a result, payday lenders are free to charge extraordinarily excessive interest rates without concern that customers will reject their services. Many payday loans result in triple-to-quadruple-digit percentage rates because the borrowers are identified as extremely high-risk, and lenders feel justified in charging incredibly high interest rates. The financial burden on the borrower and the potential damage to his credit should he be unable to repay the loan create a serious pressure on the borrower to refinance loans he cannot pay back, creating an onerous cycle of increasing fees. The Department of Defense concluded that payday lending and other high-cost lending products are a threat to national security and destructive to troop morale while being actively deployed.

To combat this practice, Senator Shapleigh filed S.B. 855, which would have established a 36 percent interest rate cap on consumer credit for military borrowers and dependents. The bill mirrored recent federal legislation that will become effective in October 2007. Although federal legislation has been passed, this bill was necessary because it gave our state regulators a role, thereby increasing the likelihood of compliance. While S.B. 855 passed the Senate, it failed to make it out of the House Calendars Committee.

### Promotes Statewide Economic Development by Demanding Greater Accountability in Statewide Programs and Developing Targeted Assistance to Border Economic Development Efforts

The decisions that state leaders make with regard to its infrastructure, economy and workforce over the next few years will affect the State's future for decades to come, especially with regard to policies along the Texas-Mexico Border. Nowhere else in Texas are conditions as dire as those in the Texas-Mexico Border region, where the poverty and unemployment rates are among the highest in the nation, and per capita income is among the lowest.

Senator Shapleigh continued to fight to enhance economic development initiatives for the entire state. He fought to bring accountability to statewide efforts and worked to develop Border-specific programs to better support the most vulnerable region in Texas.

#### Promotes expansion of the sales tax holiday to help working families

Since the implementation of the sales tax holiday in 1999, Texas families have saved an estimated \$264.5 million in state sales tax and \$71.5 million in local sales tax. Some items that are currently tax-exempt include children's clothes, school uniforms and foot wear. However, while school-related clothing is exempt, backpacks and other necessary school supplies are still subject to sales tax during the sales tax holiday. According to the National Retail Federation, families with school-aged children spent an average of \$527.08 per year on back-to-school supplies in 2006, an increase of \$83 from the previous year.

Additionally, though the current sales tax holiday has created great savings for Texas families, it occurs only in the month of August and thus does not provide for school supplies purchased during the December inter-semester period. Due to the large number of similar supplies many students have to purchase between semesters, many families find themselves spending sums comparable to the August shopping season yet without the benefit of tax relief.

Senator Shapleigh filed S.B. 376 to make it more affordable for Texas families to provide their children with all essential school-related supplies by adding other school supplies, including backpacks, to the list of tax exempt items and allowing for a December sales tax holiday. The bill was left pending in the Senate Finance Committee.

#### Promotes greater accountability of state tax dollars in the Texas Enterprise Fund

The \$323,920,000 Texas Enterprise Fund (TEF) was established in 2003 to offer direct cash payments to businesses to promote economic growth and create jobs. The Governor administers TEF, which is viewed as a deal-closer to persuade businesses to develop and/or relocate within Texas. As of November 2006, TEF had allocated \$316,420,000 in grants to 37 different entities. These entities have promised to create a total of 44,053 jobs in Texas at a cost to the fund of almost \$7,353 per job. As of March 31, 2006, a total of 7,204 jobs have been created. One of the main purposes of TEF is to serve as a job creation tool for the State. It is important that the jobs being created are quality jobs that will both stimulate Texas' economy and support

economic stability and growth for Texas families. In response, Senator Shapleigh filed S.B. 422, which would have required the Governor, prior to each regular session of the Legislature, to submit to the Legislature a report on grants of TEF money. The report would have included the number of direct jobs promised and created by each grant-recipient, specific details regarding the created jobs, and the geographical distribution of grants by county. The report would also have indicated the number of recipient-created jobs with full health benefits, the median wage of recipient-created jobs, and the percentage of money granted to small businesses. Unfortunately, the bill was left pending in the Subcommittee on Emerging Technologies and Economic Development.

### Works to pass a secure manufacturing tax credit to promote economic development along the Border

Existing federal programs administered by the U.S. Department of Homeland Security permit qualified businesses to voluntarily participate under the Customs-Trade Partnership Against Terrorism (C-TPAT), a public/private partnership program aimed at providing security and facilitation of the commercial supply chain at U.S. land, air and sea ports of entry. Participating businesses provide U.S. Customs and Border Protection (CBP) a security profile outlining specific security measures and addressing a broad range of security topics including personnel security, physical security, procedural security, access controls, education training and awareness, manifest procedures, conveyance security, threat awareness, document processing, business partners and relationships, vendors and suppliers. Security profiles also list action plans that the companies have implemented to align security throughout the supply chain. In return, C-TPAT partners are offered, among other things, a reduced number of inspections and reduced border wait times at our ports-of-entry. For example, C-TPAT-certified importers are eligible for access to the FAST lanes on the Canadian and Mexican borders. In turn, certified C-TPAT-certified Mexican manufacturers benefit from access to expedited cargo processing at the designated FAST lanes.

While CBP, through the implementation of the C-TPAT and the SAFE programs, has made progress in securing and expediting commercial cargo at land ports of entries along the U.S.-Mexico border since the 9/11 terrorist attacks, more needs to be done. A May 2005 General Accounting Office (GAO) study found key cargo security programs, including C-TPAT, need improvement. Specifically, as of April 2005, the study found that CBP had validated only 11 percent of C-TPAT members, had not developed a comprehensive set of performance measures for the program, and that key program decisions were not always documented and programmatic information was not updated regularly or accurately. Moreover, commercial traffic congestion at border land ports of entry continues to be a significant problem, causing delays and economic impacts for cross-border businesses, particularly those involved in "just-in-time" markets. Realizing this untapped potential. Senator Shapleigh filed S.B. 1378, which would have established the Secure Border Manufacturing Zones Incentive Act of 2007 to complement federal programs aimed at enhancing security and safety of cross-border shipment of goods by providing eligible businesses within the state with tax incentives for investments aimed at enhancing the supply chain visibility of their operations, value added trade, and efficient operations. The bill also would have encouraged investments in cargo supply chain security and efficiency processes to promote the development of Secure Manufacturing Zones along the U.S.–

Mexico border region. To be eligible for a tax break, the business entity would have needed to be located in a Strategic Investment area (defined as one with below average per capita income or above average unemployment) or in a federally designated Urban Enterprise Community. Unfortunately, the bill was not granted a hearing in the Senate Finance Committee.

### Gives the Department of Public Safety (DPS) the ability to issue enhanced driver licenses to address Real I.D. and new passport requirements

On March 20, 2007, the state of Washington established the high-security driver's license pilot program. U.S. Homeland Security Secretary Michael Chertoff formally approved the pilot program on March 23, 2007. His endorsement of the program comes as Border states prepare for new federal security requirements mandating a passport for U.S. citizens who enter the country by land or sea. This requirement can take effect as early as January 1, 2008. Given the negative impact that this requirement would have on commerce and tourism in Texas, and particularly in the Border region, Senator Shapleigh filed S.B. 2027, which authorizes the Department of Public Safety (DPS) to initiate a pilot program similar to the one enacted in Washington under which DPS will issue enhanced driver's licenses for individuals who apply for one. The bill will permit DPS to adopt rules to implement the program and allows for the department to enter into a memorandum of understanding with any federal agency for the purposes of facilitating the movement of people between Texas and Mexico.

Under the pilot program, the enhanced licenses will not be mandatory for drivers. Those who apply will go through an in-person interview, and proof of citizenship will be mandatory. The enhanced driver's licenses will look much like a conventional driver's license, but will also include proof of citizenship and other information that can easily be scanned at border ports-of-entry. Other advantages are that the licenses would cost less at about \$40 compared with a \$97 passport, and would be available faster than passports, which usually take six to eight weeks to process. While S.B. 2027 did not pass the House of Representatives, Senator Shapleigh successfully amended its provisions onto S.B. 11 which did pass. The provisions on S.B. 11 will take effect on September 1, 2007.

### Improves Access to and Quality of Health Care and Human Services

Knowing that Texas has consistently under-funded health and human service programs, Senator Shapleigh set out an aggressive agenda in this area. He fought hard to address the issue of the uninsured, to restore the Children's Health Insurance Program to funding levels prior to the massive cuts made in the 78<sup>th</sup> legislative session, and to improve access to health and human services. The descriptions below explain our successes, and what we need to continue to work toward during the interim.

### Fights to increase the personal needs allowance for certain Medicaid recipients who are residents of long-term care facilities

The 78<sup>th</sup> Legislature required the Health and Human Services Commission to decrease the personal needs allowance from \$60 to \$45. The personal needs allowance was created to assist individuals who enter a medical institution, a personal care facility, ICF-MR (intermediate care facility for the mentally retarded) facility, or long-term facility as Medicaid covers more than half of the costs for such care, and as a result, the Supplemental Security Income received by these individuals is reduced to \$45. Recipients of the personal needs allowance may use the allowance to purchase simple goods and services.

Senator Shapleigh co-sponsored H.B. 52 by Representative Norma Chavez (D-El Paso), which requires the Health and Human Services Commission to increase the personal needs allowance from \$45 to \$60. This measure successfully passed both the House and Senate and was signed into law by Governor Perry. This piece of legislation will take effect on September 1, 2007.

### Establishes a pilot program by the Health and Human Services Commission to accept importation of electronic eligibility information form a regional indigent care provider

Currently, local and regional indigent care networks assess new clients to determine their eligibility for local, state, and/or federal programs. A regional indigent care provider who finds an eligible patient is then required to resubmit the patient's information to the Health and Human Services Commission. Establishing an electronic database of such information will improve the overall efficiency of the process and save money for involved parties by removing the step in which the regional provider and/or patient resubmits information.

Senator Shapleigh co-sponsored H.B. 321 by Representative Dawnna Dukes (D-Austin), which provides for the implementation of an electronic eligibility information pilot project. This measure successfully passed the House and Senate and was signed into law by Governor Perry. The legislation took effect immediately.

#### Ensures access to restrooms for persons with certain medical conditions

Millions of Texans are affected by medical conditions that require immediate access to a toilet facility. Approximately 115,000 Texans are diagnosed with Inflammatory bowel disease (IBD), an umbrella term for Crohn's disease and ulcerative colitis. Of those affected, 10 percent are

under the age of 18. There are more than 40 medical conditions that either permanently or temporarily cause fecal or urinary incontinence.

Senator Shapleigh co-sponsored H.B. 416 by Representative Mark Strama (D-Austin), which requires that a customer who suffers from an eligible medical condition be given access to an employee-only restroom in a retail establishment. This measure was successful in passing both the House and the Senate, was signed by Governor Perry, and will take effect on September 1, 2007.

### Enhances the health and human services integrated eligibility and benefits determination system to meet the needs of persons in this state

The 76<sup>th</sup> Legislature during the Regular Session in 1999 created and funded Texas Integrated Eligibility Redesign System (TIERS). There have been several ongoing concerns about the operability of TIERS and the Integrated Eligibility and Enrollment System (IEES).

Senator Shapleigh co-sponsored H.B. 3575 by Representative Patrick Rose (D-Dripping Springs), which seeks to provide the framework for a successful eligibility system. This bill requires the state auditor's office to develop a transition plan to transform and enhance the eligibility system used to deliver the benefits of the TIERS and the System of Application, Verification, Eligibility, Referral, and Reporting. This bill also creates the health and human services eligibility system legislative oversight committee to support the state auditor's office with the implementation of the enhanced eligibility system in a manner that maximizes the positive effects of that implementation on the delivery of health and human services. This measure passed both the House and Senate, was signed by Governor Perry, and took effect immediately.

#### Works to clarify the functions of local mental health and mental retardation authorities

Chapters 533 (Powers and Duties) and 535 (Support Services), Health and Safety Code, address the roles and responsibilities of local mental health and mental retardation authorities. These roles and responsibilities were amended by the 78<sup>th</sup> Legislature, Regular Session, 2003, through H.B. 2292. That bill limited the provision of services by those authorities. Negotiations between private providers and local mental retardation authorities, as well as negotiations between local mental health authorities and representatives of private providers, consumers, consumer advocates, family members, and agency personnel have indicated a potential need to amend current law regarding the roles and responsibilities of those authorities.

H.B. 2439 by Representative Truitt (R-Fort Worth) sets forth certain parameters within which the local mental retardation authority is authorized to provide ICF-MR (intermediate care facility for the mentally retarded) and related waiver programs, establishes provider capacity limitations, and requires the Department of Aging and Disability Services (DADS) to review the ability of the authority to provide services in its area. Senator Shapleigh placed an amendment on this bill, which requires the executive commissioner by rule to prohibit a trustee or employee of a local mental health authority from soliciting or accepting from another person a benefit, including a security or stock, a gift or another item of value, that is intended to influence the person's

conduct of authority business. This measure successfully passed both the House and the Senate and was signed by Governor Perry, and took effect immediately.

## Works toward establishing a competitive grant program to fund nurse-family partnership programs

Currently there is no nurse-family partnership program in Texas. Nurse-family partnership programs, however, have existed for 23 years in 22 states, serving over 20,000 mothers. The programs focus on improved pregnancy outcomes, child health and development, and the economic self-sufficiency of the family. Statistics for programs in other states show benefits to both children and mothers. For example, statistics have shown a 48 percent reduction in child abuse and neglect, 59 percent reduction in arrests, and a 90 percent reduction in adjudications. Benefits to mothers include 61 percent fewer arrests, 72 percent fewer convictions, and 98 percent fewer days spent in jail. For every one dollar spent by the state on these programs, long-term savings of between four and five dollars have been shown.

S.B. 156 by Senator Florence Shapiro (R-Plano) implements the nurse-family partnership program, a nurse home visitation program, in 11 new sites across Texas. The program will include regular home visits by qualified nurses to participant mothers from pregnancy to age two and requires eligible participant mothers to enter the program not later than the 28th week of pregnancy. S.B. 156 also requires the Health and Human Services Commission to work with the Nurse-Family Partnership National Service Office to adopt standards for the program and performance measurement indicators for the evaluation of each site. Senator Shapleigh was very supportive of this bill and worked with Senator Shapiro in offering an amendment to S.B. 156 that requires the sites selected to participate in this program will be geographically dispersed across the State of Texas, thus ensuring that all parts of Texas have access to this program. This measure successfully passed both the House and Senate and was signed by Governor Perry. This legislation will take effect on September 1, 2007.

#### Fights to protect the children from privatization and reduce caseworker loads

For many years, Child Protective Services (CPS) has had units of state employees who recruit, train, and supervise foster homes and place children for adoption. In S.B. 6, the 79<sup>th</sup> Legislature required the privatization of all substitute care services by September 1, 2011. This session, Senator Jane Nelson (R-Lewisville), filed S.B. 758, which not only continues the current law mandate to privatize all foster and adoption services, but it also moves the completion date from 2011 to 2009. In addition, the initiative proposed a 90% increase in funding. Taking into consideration the budget surplus, Senator Shapleigh offered an amendment that would have raised the funding increase from 90% to 100%. This amendment was tabled when brought up in committee and did not receive enough votes to be placed onto S.B. 758 as an amendment on the floor. Senator Shapleigh also offered an amendment that would change both S.B. 758 and current law by eliminating the mandate to privatize all foster and adoption services. The amendment required the department to assess the need for substitute care services and to contract for services when contracting would improve services to children and families. This amendment was not placed on the bill as proper funding was not allocated to support such a concept.

Ultimately, S.B. 758 successfully passed both the House and Senate and was signed by Governor Perry to take effect September 1, 2007.

#### Seeks to ban human cloning and allow stem cell research

An estimated 128 million Americans suffer from the crippling economic and psychological burden of chronic, degenerative and acute diseases, including spinal cord injuries, multiple sclerosis, heart disease, cancer, diabetes, sickle cell disease, Parkinson's disease and dozens of other debilitating medical conditions. In fact, Texans for Advancement of Medical Research estimated that 70 different diseases and injuries could benefit from early or embryonic stem cell research. The cost of treating and the loss of productivity from these diseases in the U.S. constitute hundreds of billions of dollars annually. Further, estimates of the economic costs of the diseases does not account for the extreme human loss and suffering associated with these conditions. Early or embryonic stem cell research offers immense promise for developing new medical therapies for these debilitating diseases and a critical means to explore fundamental questions of biology.

In response, Senator Shapleigh filed S.B. 413, which would have prohibited human cloning and provided penalties if a person intentionally engaged in or attempted to engage in human cloning. In addition, S.B. 413 would have regulated research involving the derivation and use of human embryonic stem cells, human umbilical cord stem cells and other human adult stem cells, and cells from somatic cell nuclear transfer to develop regenerative or reparative medical therapies or treatments. Lastly, S.B. 413 stipulated that authorized research must be conducted with full consideration for the ethical and medical implications of the research, and each case must be reviewed by an institutional review board operating in accordance with applicable state and federal regulations. Unfortunately, S.B. 413 did not receive a hearing.

### Advocates increasing Medicaid and Children's Health Insurance Program (CHIP) capitation rates

Many counties along the border and other rural areas of the state have a poor health care infrastructure and inadequate access to care. Most of these areas have lower Medicaid and Children's Health Insurance Program (CHIP) capitation rates than the rest of the state. Capitation rates are based on historic utilization of Medicaid benefits. The Health and Human Services Commission reports that in 2007, physicians delivering newborns in Tarrant County were reimbursed \$737.13, while a physician in El Paso received \$556.63. The capitation rate for a child in the CHIP program in El Paso is \$68.70, but it is \$98.23 in Lubbock County. Although some contend that the problem is one of low utilization, it is clearly much larger than that. Border counties cannot increase utilization of health services until the infrastructure is expanded, and more health care professionals are actually available to citizens. In response, Senator Shapleigh filed S.B. 627, which would have raised the Medicaid and CHIP capitation rates in strategic investment areas (SIA) to the statewide average. Raising capitation rates to the state average would help attract and retain physicians, and help build the health care infrastructure in SIAs. Because this issue was the heart of *Frew v. Hawkins*, a landmark lawsuit over the state's obligation under Medicaid, this legislation was not pushed forward.

## Works to reform unregulated group homes and prevent the abuse and neglect of the mentally ill, disabled and elderly

Current law does not regulate the operation of group homes for residents who are not related to the provider and that are provided by individuals or business concerns for adult persons who are disabled by reason of mental health or mental retardation or are elderly and who are in need of quality, safe, supervised housing. At present, state statutes only require the licensing, inspection and regulation of such facilities where there is clear evidence of providing varying degrees of medical services, prescription administration, treatment or therapeutic services. There are no restrictions or regulation on the size, management, or overall operation of these facilities, which are typically funded from the personal assignment of the affected resident's disability stipend (usually Social Security SSI/SSDI) to the facility provider. Thus, with the exception of individually reported and investigated cases of abuse through the Department of Adult Protective Services, state agencies currently do not have the authority to require registration, inspection and oversight/enforcement of such facilities and lack even general investigative authority to ensure the safety and well being of the residents.

In response, Senator Shapleigh and State Representative Jose Menendez (D-Bexar) filed S.B. 690 and H.B. 1168. Prior legislation established a pilot program for registration, licensing and oversight of this category of residential homes. S.B. 690 and H.B. 1168 make the pilot program permanent and expand it statewide. The bill requires procedures that would allow other state agencies and appropriate local authorities to participate in the process as well as information sharing for the purpose of protecting citizens who are tenants of these homes. Additionally, this bill would utilize the fees and any penalties assessed and collected to offset administrative costs and use the remainder to continue to expand services to elderly or disabled citizens. Lastly, this bill requires a biennial report to the legislature detailing the program status that may be included as part of the other DADS operational summaries but should be clearly specified as to purpose and scope. The measure passed and becomes effective on September 1, 2007.

#### Fights to help prevent childhood obesity by eliminating trans fatty acids in school lunches

Trans fatty acids, also known as partially hydrogenated oils, are a type of fat commonly found in processed foods, commercial baked products, cooking oils, and even bread. Excess intake of trans fatty acids can pose serious and costly health problems. Trans fats are known to decrease levels of HDL (good) cholesterol, cause a significant and serious increase in LDL (bad) cholesterol, and induce major clogging of arteries. Consumption of trans fats is linked to an increase in mortality, primarily due to an elevated risk of coronary artery disease and stroke. Scientific studies also suggest that the negative consequences of trans fat consumption go beyond cardiovascular risk and increase the risk of other chronic health problems such as cancer, diabetes, liver dysfunction, infertility and obesity.

Currently, more than 35 percent of Texas schoolchildren, more than double the national average, are overweight or obese, compared to 10 percent 20 years ago. Minority populations are at significantly higher risk of becoming overweight, and childhood obesity is on the rise. Research has shown that in addition to increasing their risk of heart disease, high blood pressure, diabetes,

and orthopedic disorders, obese children are more likely to become obese adults. Cardiac disease, stroke and cancer are the three leading causes of death in the United States, and obesity is a contributing factor to each. Further, obesity is so highly correlated with type 2 diabetes, the fifth-leading cause of death, that the medical community has coined the term *diabesity*. Nutritionists at Harvard University have estimated that eliminating partially hydrogenated fat in the U.S. diet would prevent, at least 30,000 premature coronary deaths per year, while epidemiologic evidence suggests this number may be as high as 100,000 premature deaths annually.

In response, Senator Shapleigh filed S.B. 862 to prohibit schools from serving a food that contains trans fatty acids or was prepared using another food containing trans fats. Although S.B. 862 did not receive a hearing, Senator Shapleigh worked in the Health and Human Services Committee to ame nd H.B. 4062 by Representative Sid Miller (R-Stephenville). This amendment will require the Texas Department of Agriculture to submit a report to the legislature outlining both their efforts and the efforts of the Unites Stated Department of Agriculture in reducing/eliminating the amount of trans fat in foods. H.B. 4062 successfully passed the House and Senate with Senator Shapleigh's amendment, was signed by Governor Perry, and took effect immediately.

## Protects elderly Medicaid recipients from undue financial hardship upon death of a spouse or family member

The Medicaid Estate Recovery Program was implemented in Texas in March of 2005 as a way to reimburse the state Medicaid Program for their services to Medicaid recipients. Under this program, the state is allowed to recover the costs of nursing facility and other long-term care services by filing a claim against the estates of Medicaid beneficiaries. An estate includes all real and personal property, and these estates are eligible for seizure after the death of the Medicaid recipient as long as the recipient is over 55, there is no surviving spouse or child under 21, and a recovery will not cause "undue hardship." Those who apply for Medicaid Long-Term Care Services are subject to a Medicaid recovery claim at their death, regardless of whether or not the Medicaid recipient had a will.

In A 2004 Survey of State Programs and Practices, a study conducted by the AARP, it was determined that critical questions about estate recovery remain on whether recovery really represents a fair mechanism for ensuring that Medicaid recipients pay a fair share of the cost of their long-term care, compared to other financing options. In addition, questions remain on whether or not these programs are a barrier to receipt of Medicaid services; many families are often confronted with the problem of deciding whether to remove loved ones from nursing homes (in which case they may not receive proper or adequate care at home) or risk having the state seize their property upon the death of the Medicaid recipient. A decline in health status as a result of removal from Medicaid services may only lead to increased health costs. Moreover, the study concluded that estate planning techniques might allow some families to shelter their assets so that it is not subject to recovery upon the death of a Medicaid recipient. These techniques, however, are only available to higher income families who can already afford lawyers to instruct them as to how to shelter their assets from recovery, which is an unfair practice against low income families who cannot afford the aid of an attorney. In response, Senator Shapleigh filed

S.B. 1590 which proposed that Medicaid recipients who are eligible for recovery of their estate by the State Medicaid Program be disallowed the first \$30,000. Although S.B. 1590 did not receive a hearing, stakeholders working on this issue were able to gather and dispense information on this issue.

#### Improves access to state services to limited English proficient residents

The University of Florida surveyed 1,798 CHIP and Medicaid families in April and May of 2006. The surveyors found that Spanish-speaking families were less likely to renew CHIP coverage than English-speaking families. Almost two-thirds of these children who drop out of CHIP will fail to obtain any other insurance coverage. The report suggested that Spanish-speakers face unfair barriers in enrollment in services like the CHIP, Medicaid and food stamps programs. Poor quality of service to Spanish-speakers and the presence of a language barrier unfairly prevent and discourage the receipt of services to Spanish-speaking individuals. In September of 2006, it was reported that the average Spanish-speaking caller had to wait over three times as long as an English-speaking caller to speak to representatives about CHIP or other state services. Moreover, Spanish-language documents are confusing and peppered with misspelled words, errors and inconsistencies.

To resolve these problems, Senator Shapleigh filed S.B. 1587 to ensure that any contract made with the Health and Human Services Commission involving written or oral communication with an individual seeking services will be conveyed in Spanish to those who are not fluent in English. This bill passed the Senate, but stalled in the House. For this reason, Senator Shapleigh worked with Representative Patrick Rose (D-Dripping Springs) to amend the provisions of S.B. 1587 into H.B. 3575. H.B. 3575 successfully passed the House and Senate with Senator Shapleigh's amendment and was signed by Governor Perry to take effect immediately.

#### Fights to protect consumer's choice for prescription drugs

There have been a growing number of cases around the country where pharmacists have refused to dispense prescription drugs or devices for non-medical reasons or personal beliefs. This conflict has developed into a debate about patients and pharmacists' rights. The most common refusals have been for hormonal contraception, but some cases have involved prescriptions needed for dilatation or curettage following a miscarriage. Emergency contraception is a type of hormonal contraception that, if taken within 72 hours of unprotected intercourse, can prevent an unwanted pregnancy by 89% but does not interfere with an established pregnancy. Due to the extremely time sensitive nature of this particular drug, referral to a different pharmacy can be detrimental to the patient, especially in rural areas with few accessible pharmacies. When a pharmacist refuses to honor a legally prescribed medication, this act interferes with the prescriber's practice of medicine, harms the patient by not providing the standard of care, and interferes with the practitioner-patient relationship.

To ensure that this does not occur in Texas, Senator Shapleigh filed S.B. 1591 to require pharmacies to dispense legally prescribed medication or devices without delay, consistent with the normal time for filling any other prescription drug. This bill also provided that customers are not to be intimidated, harassed, or threatened in the delivery of services. Although S.B. 1591 did

not have a hearing, many groups praised it as model legislation for protecting a consumer's choice.

#### Fights to provide health insurance to all in proposing Texas' first universal health care plan

In 2005, 24.6% of Texans did not have health insurance, the largest uninsured population of any state in the nation. Among Texas children, 21% were uninsured, compared to 11% nationwide. Even with current government expenditures on state healthcare programs for the poor and elderly, Texas parents making poverty-line incomes still may not qualify for Medicaid. In areas with a high uninsured population, overall quality of care decreases as health care providers, especially emergency rooms, are inundated with illnesses that could be avoided with preventative care, including frequent check-ups. Combined federal, state, and local spending to compensate hospitals and clinics for services provided to the uninsured are estimated at \$30 billion. There are also indirect economic consequences including diminished health, disability, and premature death of uninsured workers.

Further, traditional health care coverage is no longer effective because of unstable employment trends, a continuous decline in employer-based coverage, increases in benefit gaps, and uncontrolled increases in the amount of premiums and cost sharing. In fact, two out of three uninsured adult Texans are employed with 70% having incomes above the poverty Inc. As a result, 29 million Americans are in medical debt and within those, 70% were insured when they received the health care that put them in debt, according to the Commonwealth Fund. The results are predictable; two million American families file for bankruptcy every year.

According to a study by the Lewin Group in 2005, a single payer universal healthcare system would save California \$343.6 billion in health care costs over the next 10 years. Senator Shapleigh filed S.B. 1911, which would have provided universal health care to all Texans at least at the level of the state Medicaid program. Although this bill did not receive a hearing in the Senate Committee for State Affairs, it raised awareness around the issue of health insurance. Stakeholders and supporters of the bill rallied outside the capitol in April in support of universal health care. This is the first bill of its kind for the State of Texas and will be one of the leading issues facing the 81st Legislative Session.

## Reinstates access to eligibility requirements to the Children's Health Insurance Program (CHIP)

One in four Texas children (23.6%) lives in poverty. Half of the 1.4 million uninsured Texas children who are eligible to receive public health insurance are not enrolled in either CHIP or Medicaid. In Texas, between December 2005 and April 2006, the number of children receiving benefits from Medicaid or CHIP dropped by 127,000. In response, Senator Shapleigh worked with Representative Elliott Naishtat (D-Austin) and filed S.B. 1914, which required the Health and Human Services Commission to simultaneously screen children for eligibility in both CHIP and Children's Medicaid. It also required the Health and Human Services Commission to enroll an eligible child in the appropriate program. Because S.B. 1914 did not receive a hearing, Senator Shapleigh joined forces with Representative Sylvester Turner (D-Houston) and cosponsored H.B. 109, which partially restored the cuts that were made to the CHIP program in

2003. The measure was signed by the Governor and became effective immediately on June 15, 2007.

#### Works toward the elimination of smoking in all workplaces and public places

Under current law, there is no statewide prohibition regarding smoking in public places. Second hand smoke is a known cause of lung cancer, heart disease, low birth weight, chronic lung ailments such as bronchitis and asthma, and other health problems. Furthermore, studies have shown that second hand smoke leads to the deaths of an estimated 53,000 Americans each year. Forty-seven cities in this state have passed ordinances that contain smoke-free provisions. Thirteen of these cities, including Houston, Austin, El Paso, and Laredo, have passed strong, comprehensive ordinances that protect employees and the public alike. Furthermore, during this past election cycle, Abilene and Baytown voted to join other cities in becoming smoke-free. Sixteen states have already adopted statewide -free laws, while 15 other states are currently considering smoke-free laws.

Senator Shapleigh co-authored S.B. 368 by Senator Ellis (D-Houston), which would prohibit smoking in indoor public places and municipal worksites and private worksites, including restaurants, restaurant bars, and stand-alone bars. This bill provided a fifteen-foot smoking prohibition to allow for reasonable distance from enclosed areas. This bill also addressed certain exceptions, including hotel and motel rooms. Finally, this bill outlined the notice requirements of employers, enforcement procedures by local governments, and penalties assessed. S.B. 368 was left pending in the Senate Committee on Health and Human Services.

## Tackles restrictions on the interchange of anti-epileptic drugs and drugs used to treat or prevent seizures

Nearly two percent of the Texas population has epilepsy and one-third of those patients have medically refractory epilepsy (*i.e.*, epilepsy that is poorly controlled by anti-epileptic medications). Current law allows a pharmacist to make a substitution of a patient's prescribed medication; this substitution can cause breakthrough, or unexpected, seizures. Many people with epilepsy have regularly reported to the Epilepsy Foundation that they have experienced breakthrough seizures after long periods of seizure control when a formulation of their customary medication was changed. This might occur when a brand name product becomes generic, when a new version of a product is developed, or when a pharmacist obtains the drug from a different manufacturer.

Senator Shapleigh co-authored S.B. 409 by Senator Kyle Janek (R-Houston), which would have prohibited a pharmacist from interchanging an anti-epileptic drug or a formulation of an anti-epileptic drug, brand or generic, unless signed informed consent from the prescribing physician allows for the interchange of the drug. S.B. 409 successfully passed the Senate, but was left pending in the House Committee on Public Health.

Works on changing the age at which tobacco products can be distributed, purchased, possessed and consumed from 18 to 19 years old.

Currently, 18-year olds are allowed to purchase tobacco products in this state. In 2004, 22 percent of high school students and over eight percent of middle school students were smokers. Over 90 percent of smokers began smoking before the age of 21. Smoking has been linked to increased risks for heart disease, cancer, emphysema, strokes, and many other preventable illnesses. The costs of tobacco ailments in terms of health care costs are staggering. Furthermore, 18-year olds, many of whom are still in high school, may be disseminating tobacco products to their underage peers.

In response, Senator Shapleigh co-authored S.B. 448 by Senator Carlos Uresti (D-San Antonio), which increased the minimum age for the purchase of tobacco products from 18 years of age to 19 years of age. S.B. 448 passed the Senate, but was left pending in the House Committee on State Affairs.

#### Sets standards that meet federal requirements for TANF recipients

On February 8, 2006, President George Bush signed the Deficit Reduction Act (DRA) to reauthorize Temporary Assistance for Needy Families (TANF). New rules for implementing the DRA contain significant changes in the method of calculation of federal work participation rates. For a state to continue to receive TANF funds, a participation rate of 50 percent (all family) and 90 percent (two-parent family) must be achieved. Certain low-income parents have become ineligible for TANF for various reasons, including not complying with work participation requirements. Under current law, the Texas Workforce Commission (TWC) is prohibited from providing job training and support services to persons who are no longer TANF-eligible.

Senator Shapleigh co-authored S.B. 589 by Senator Jane Nelson (R-Lewis ville), which required TWC to provide employment services, including needs assessment, job training, post-employment and related support services, to non-recipient parents. This piece of legislation successfully passed both the House and the Senate and was signed by Governor Perry to take effect immediately.

#### Defends the rights of youth under the state's care

Current law requires that courts provide 10 days notice of a permanency hearing to foster parents, guardian ad litems, Court Appointed Special Advocates, biological parents, and the Department of Family and Protective Services (DFPS). The Interstate Placement Act states that foster parents, pre-adoptive parents, and relative caregivers should be provided notice of their right to be heard at any proceeding. New federal requirements in the Safe and Timely Interstate Placement of Foster Children Act of 2006 and the Child and Family Services Act of 2006 clarify that foster parents, pre-adoptive parents, and relative caregivers should be provided notice for permanency and placement review hearings.

In response, Senator Shapleigh co-authored S.B. 759 by Senator Nelson (R-Lewisville), which requires courts to consult with children in an appropriate manner regarding a child's permanency

plan if the child is at least four years old and if the court determines it is in the best interest of the child. S.B. 759 entitles DFPS, foster parents, pre-adoptive parents, biological parents, and guardian ad litems to be present during a placement or permanency hearing. This bill also requires that a child be present at each review hearing unless the court excuses the child's attendance. This bill successfully passed both the House and the Senate and was signed by Governor Perry to take effect immediately.

#### Seeks better standards for lead investigations by the Department of State Health Services

Environmental investigations are recommended for all children with confirmed blood lead levels. A grant has been received from the Centers for Disease Control and Prevention that enables the Department of State Health Services (DSHS) to fund child lead poisoning prevention activities. Child Protective Services has requested that DSHS inspect child care facilities regarding allegations that a facility is the source of a child's lead exposure. Current law allows DSHS to do this through their rulemaking process, but this legislation places DSHS's authority in statute.

During session, Senator Kyle Janek (R-Houston), filed S.B. 814, which gives DSHS the authority to conduct environmental lead investigations when the blood levels of a screened child are high. This bill also allows DSHS to adopt rules concerning follow-up care for children with elevated blood lead levels in a manner that is consistent with federal guidelines.

Senator Shapleigh co-authored this piece of legislation and introduced an amendment that makes the bill applicable to "attic dust." The amendment was adopted and rolled into the committee substitute. The impetus for the amendment came out of the ASARCO situation, where homes were found to have lead and other harmful toxins in the attic where they seeped in from the chimney. S.B. 814 successfully passed the House and Senate with Senator Shapleigh's amendment and was signed by Governor Perry. This legislation will take effect on September 1, 2007.

### Improves provisions of certain services and information related to unintended pregnancies and sexually transmitted diseases

Texas has the highest rate in the country of teens giving birth. In 2003, one out of every two births in Texas was paid for with public dollars, and the Department of State Health Services estimates that the first year of a Medicaid-funded pregnancy costs nearly \$8,500. In contrast, the cost for one year of family planning care for a woman, including a pap smear and a year of contraception, is only \$170. Furthermore, the federal government provides \$9 in matching funds for every \$1 Texas spends on the Women's Health Program. This program allows women, ages 18 to 44, who are United States citizens and who make at or below 185 percent of the federal poverty level to access family planning services.

The Women's Health Program is projected to save Texas \$278 million over the five-year demonstration timeline and save the federal government an additional \$189 million. Texas is only slated to spend \$25,000 on outreach on this program per year, with the federal government contributing only \$25,000 more.

Currently, Texas law requires that contraceptive use, if it is taught, must be taught in terms of "human use reality rates" as opposed to "laboratory test rates," but neither of these rates are defined in Texas statute, nor do they have commonly cited sources. Also, school districts are required to notify parents of the content of sex education classes and the parents' right to remove their child from any part of the class, but there is no specification in the law as to the requirements of the notification's content.

Senator Shapleigh co-authored S.B. 837 by Senator Kirk Watson (D-Austin), which would have required the Health and Human Services Commission (HHSC) to conduct a comprehensive marketing and outreach campaign to increase enrollment in the Texas Women's Health Program. This bill also required that contraceptive use, if it is taught, be taught in terms of "typical use rates" as well as "perfect use rates" with an emphasis on the reason those rates differ. Unfortunately, S.B. 837 was left pending in the Senate Committee on Health and Human Services Committee.

#### Works toward the creation of a youth diabetes registry

Currently, Texas is unable to track the number of youth diabetes diagnoses in the state. To prevent and control the impact of diabetes, the state needs reliable data for tracking and research. Aware of this, Senator Shapleigh co-authored S.B. 1090 by Senator Robert Duncan (R-Lubbock), which required certain health care professionals to report each new case of diabetes diagnosed in Texans less than 18 years of age, but provided an opt-out provision for parents regarding the report. Although S.B. 1090 passed the Senate, it was left pending in the House Committee on Public Health.

## Fights toward increasing the number of medical residency programs, medical residents, and physicians practicing medical specialties in Texas

Texas has a shortage of physicians and needs more graduate medical education slots to train the physicians required to meet our health care needs. The shortage of training slots virtually guarantees that medical students will be forced to leave the state upon graduation. Given the strong relationship between location of graduate medical education training and entrance into practice, those leaving will likely not return to Texas.

Working on this issue in past sessions, Senator Shapleigh co-authored S.B. 1095 by Senator Carlos Uresti (D-San Antonio), which authorized a study that will look into the feasibility of taking a percentage of physician licensing fees to create more residency programs and/or increase the number of medical residents. The bill placed emphasis on medically underserved areas and underrepresented medical specialties. S.B. 1095 passed the Senate, however it died in the House Calendars Committee.

## Enhances reporting requirements for health plans participating in the medical assistance program

Currently, health plans are not required to report exactly how they spend Medicaid dollars. Therefore, there is no way of knowing what proportion of the money goes to administrative or overhead costs and what proportion is allotted for health care.

In response, in a bipartisan effort, Senator Shapleigh co-authored S.B. 1144 by Senator Kyle Janek (R-Houston), which establishes a method for health plans to report the proportion of Medicaid premiums they spend on health care (*i.e.*, the medical loss ratio). This ratio, defined as "capitated fees earned" (the amount of Medicaid dollars allocated to the plan) divided by the "direct losses incurred" (the amount of Medicaid actually spent on patient care), gives the percentage of Medicaid dollars spent on health care. The remainder gives the percentage of money spent on administrative or overhead costs. By doing this, S.B. 1144 increases the transparency of Medicaid, and allows the state and consumers to determine the efficiency of different health care plans. Unfortunately, the bill was left pending in House Committee on Appropriations.

## Works toward reorganizing certain state institutions that provide financing for cancer research, including creating the Cancer Prevention and Research Institute of Texas

Currently, there is no cancer institute in Texas that provides grant money for cancer research. The Texas Cancer Council focuses on cancer prevention programs, but operates on a much smaller scale and does not grant funding for research projects. In response, Senator Shapleigh co-authored S.B. 1292 by Senator Jane Nelson (R-Lewisville), which redesignates the Texas Cancer Council as the Cancer Prevention and Research Institute of Texas. The bill authorized the institute to issue general obligation bonds for grants to create and expedite innovation in the area of cancer research and prevention to enhance the potential for a medical or scientific breakthrough in the prevention of cancer and cures for cancer. While S.B. 1292 did not pass, Senator Shapleigh co-sponsored H.B. 14 by Representative Jim Keffer (R-Eastland), which passed and was signed by Governor Perry. The bill is effective immediately pending a vote from Texans in November providing funding for this important initiative.

#### Prepares a strategy for reducing child abuse and neglect and improving child welfare

Child abuse and neglect kill more than three children every day in America. Nearly 85 percent of the victims are under the age of six, and nearly half of them are less than one year old. In Texas, a child is abused or neglected every 11 minutes, and the number of children in foster care due to child abuse in the home increased 30 percent between 2001 and 2005. Reports of child abuse are increasing very rapidly, and the child protection system lacks the capacity to provide adequate and timely investigation of so many reports. Children who have been the victims of abuse experience problems in school and are at risk of developing certain health problems or adopting certain unhealthy behaviors. About 22 percent of victims suffer from learning disorders that cause them to be placed in special education. The investigation, care, placement, and treatment costs associated with child abuse in this state approach \$900 million per year. In response, Senator Shapleigh co-authored S.B. 1457 by Senator Carlos Uresti (D-San Antonio),

which would have created a task force to study the issues of child abuse, neglect and welfare, and required the task force to create goals for state policy on the issues and submit a strategic plan to accomplish those goals. Although this legislation passed the Senate, it was left pending in the House Calendars Committee.

#### Expands eligibility for medical assistance for treatment of breast and cervical cancer

In Texas, an uninsured woman can get access to the Medicaid Breast and Cervical Cancer Treatment program if she is actually screened or diagnosed by an entity funded under the separate, sister program, the Centers for Disease Control and Prevention Breast and Cervical Cancer Early Detection program established under Title XV of the Public Health Services Act (Establishment of Program of Grants to States), and found to need treatment for either breast or cervical cancer (including a pre-cancerous condition). In a bipartisan effort, Senator Shapleigh co-authored S.B. 1696 by Senator Nelson (R-Lewisville), which expanded the pool of eligible women if they met certain criteria or were merely screened by a program provider, regardless of a federal funding stream as long as the screener was funded in part by Title XV funds. Although S.B. 1696 passed the Senate, it was left pending in House Calendars Committee.

### **Ensures that Government Agencies Work for the People**

The Sunset Advisory Commission facilitates accountability of state government by reviewing agencies every 12 years to determine if changes are needed to make the agencies function better. The Sunset review process is a valuable one for state government in that it has consistently saved the state money over the last three decades.

Senator Shapleigh took great pride in serving on the Sunset Advisory Commission, and worked throughout the interim to develop solid recommendations on state agencies under review. The following bills ensure that these agencies utilize standard licensing and enforcement authority, which leads to stronger consumer protection.

#### Makes key changes to the Veterans Land Board

Texas voters established the Veterans Land Board (VLB) through a constitutional amendment in 1946 to honor Texas veterans and their families by providing loans to purchase land. Today, the VLB operates within the structure of the General Land Office and provides veterans with three major benefits: offering below-market interest rate loans for purchasing raw land, homes, and funding home improvement projects; long-term care nursing homes for veterans and their families; and veterans' cemeteries. VLB administers its three programs with a budget of about \$24 million, derived from investment income, and has a staff of 83.

Senator Shapleigh joined forces with Representative Dan Flynn (R-Canton) to pass H.B. 3140, the Sunset bill for the VLB. H.B. 3140 requires the VLB and the Texas Veterans Commission to coordinate a statewide approach to making Texas veterans aware of available benefits and services. The bill also requires the agencies to develop a comprehensive veterans' benefit brochure and plan and present a total benefits package to veterans at benefits seminars and meetings. H.B 3140 passed and became effective on June 15, 2007.

#### Ensures the continued operation of the Texas Veterans Commission

For nearly 80 years, the Texas Veterans Commission (TVC) focused solely on providing claims assistance and benefit information to Texas veterans. In 2005, the Legislature transferred the Veterans Employment Services program to the TVC from the Texas Workforce Commission. In addition, TVC was designated in 2006 by the Governor as the State Approving Agency for Veterans' Education, also in place of the Workforce Commission. Today, TVC administers its programs with a budget of about \$15.3 million, derived from General Revenue and federal funds, an almost four-fold increase from when the agency's main mission was its claims assistance program. The Veterans Commission employs a staff of 311, most of whom are located in field offices throughout the state.

Senator Shapleigh worked closely with Representative Dan Flynn (R-Canton) to pass H.B. 3426, the TVC Sunset bill. H.B. 3426 continues TVC for six years, thus giving the agency time to assume its new duties, while also providing the Legislature an opportunity to reevaluate TVC's overall performance in operating its new veterans employment and education functions and

dealing with the significant challenges of the current war. H.B. 3426 passed and will become effective on September 1, 2007.

## Makes key changes in the Texas Real Estate Commission by re-focusing the Commission more directly on consumer protection

Created in 1949, the Texas Real Estate Commission protects consumers engaged in real estate transactions by ensuring that licensees properly represent their client's interests. Commission's key functions include licensing real estate salespersons, brokers, and home inspectors; enforcing the Real Estate License Act; and regulating private real estate schools, timeshare developers, and home warranty companies. In all, the agency has a staff of 76 employees, a budget of about \$4.3 million, and licenses more than 153,000 individuals and businesses. As a member of the Sunset Commission, Senator Shapleigh shepherded the Texas Real Estate Commission Sunset bill (S.B. 914) through the legislative process. The bill refocuses the Commission more directly on consumer protection by requiring that the Commission prioritize complaint investigations based on potential risks to consumers, and also fully authorizes staff to open investigations against licensees for violations of the licensing act and agency rules. S.B. 914 also streamlines the agency's enforcement process and ensures the independence of contested case hearings, strengthens the Commission's enforcement function, and improves regulation of private real estate schools by requiring the Commission to establish a minimum exam pass rate. Finally, S.B. 914 continues the Texas Real Estate Commission for 12 more years.

#### Strengthens the powers of the Texas Residential Construction Commission

The Texas Residential Construction Commission (TRCC) was created during the 78<sup>th</sup> Legislative Regular Session. H.B. 730, which created the TRCC, established performance standards, statutory warranties for residential construction, a state-sponsored inspection, and a dispute resolution process designed to assist consumers in resolving construction issues with homebuilders. Additionally, for the first time in history, the legislation required homebuilders and remodelers to register with the state. To strengthen its powers, Senator Shapleigh worked with House State Representative Allan Ritter (D-Nederland) and co-sponsored H.B. 1038, which provides TRCC with more disciplinary powers, including the ability to discipline builders who do not register with TRCC, or who repeatedly fail to make an offer to repair or do not reasonably perform on an accepted offer to repair a building defect based on a third-party's recommendations or an appeal of the third-party inspector's recommendation. The bill gives TRCC the power to issue cease and desist orders against those violating the TRCC Act and proscribes a penalty of up to \$100,000 for violations involving the misappropriation of funds or engaging in statutory or common law fraud. The bill significantly expands the authority of TRCC to ensure that the state-sponsored inspection and dispute resolution processes are working correctly to resolve disputes between the homebuilder and the buyer. The new measure becomes effective on September 1, 2007.

#### Increases citizens' access to state budget appropriations

The Texas state budget has grown to over \$160 billion for the coming biennium and taxpayers are entitled to as much information as possible about how their tax dollars are spent. Access to this information provides the opportunity for citizens to demand that the government be accountable for its spending. While citizens have greater access to information due to a more open government and emerging technologies, citizens are required to access state expenditure information via individual state agencies, and the current information system is difficult to navigate. Realizing this, Senator Shapleigh continued working on these issues and in a bipartisan effort, joined his colleague Senator Glenn Hegar (R-Katy) and co-sponsored H.B. 3430, which improves the existing information system by creating a single, searchable, and publicly available online database of state expenditures. The new law became effective June 15, 2007.

### Improves Transportation-related Processes in the State

Once again this session, Senator Shapleigh took a strong leadership role in the Senate Transportation and Homeland Security Committee. Because of his knowledge of transportation and the law, he was pivotal in providing input on rail and on other important legislation before the committee. In the process, he ensured that the emerging toll process is fair, and that El Paso benefits in key transportation initiatives.

The passage of these bills was critical for a state that is experiencing rapid population growth, and increasing highway congestion. Senator Shapleigh worked diligently to ensure that our transportation system is safe and secure for Texans along the Border and throughout the state.

#### Actively promotes funding for railroad relocation away from congested urban centers

The Rail Relocation and Improvement Fund was created during the 79<sup>th</sup> Legislative Session. In November 2005, the voters recognized the need to relocate and improve rail lines throughout the state and approved the constitutional amendment creating the fund. Unfortunately, the fund structure was set up without a dedicated funding source.

Realizing that ail relocation and improvement will require the state to work with private railroads to improve or relocate rail facilities and that funding sources needed to be identified, Senator Shapleigh filed S.B. 1025. The benefits of rail relocation are numerous: enhanced public safety by decreasing the number of train/vehicle crossings; greater economic opportunity for the state and the rail companies by encouraging more freight movement through Texas; increased mobility for rail and highways by adding capacity to freight rail lines and freeing up traffic congestion in city centers; opportunities for the improvement of various modes of transportation; and, the remaining right-of-way left over after rail relocation could be used for public transit or added highway capacity. Under the provisions of S.B. 1025, the state would have tapped into two revenue sources, either a grant to a project the Governor selects under the Texas Enterprise Fund program, or money the legislature appropriates to the Texas Rail Relocation and Improvement fund as part of the Appropriations act. While the bill passed unanimously in the Transportation and Homeland Security Committee, Senator Shapleigh was not recognized on the Senate floor and the bill died without an opportunity for a vote in the Senate.

#### Increases infrastructure financing options in transportation reinvestment zones

Under the current pass-through financing program, local entities, including cities and counties, may be designated to finance costs and oversee construction of certain roads and be reimbursed by the state for costs over a period of time. The success of this program has led to concerns about availability of funding for future projects to sustain the pass-through financing model. In a bipartisan effort, Senator Shapleigh joined forces with Senator Kim Brimer (R-Fort Worth) and co-authored SB 1266, which creates a transportation reinvestment fund and authorizes local governments to dedicate a portion of revenue from the development of road projects to the fund to sustain the pass-through financing program and fund future projects and programs. The bill becomes effective on September 1, 2007.

#### Fights to improve the "flow" of traffic in our vehicular-traffic arteries

At intersections that include state highways, the Texas Department of Transportation (TxDOT) oversees the operations of any traffic signal signs or lights. TxDOT follows the rules established by the Texas Manual on Uniform Traffic Control Devices for traffic light intervals. The use of this standard by TxDOT provides the driving public with standard intervals at all traffic light locations that control intersections with state roads. However, this standard is currently not applied to an intersection at which a photographic traffic monitoring system is in use. Working with the El Paso House state delegation, Senator Shapleigh worked with Representative Inocente "Chente" Quintanilla (D-Tornillo) and sponsored H.B. 614, which would have required that all intersections that monitor traffic with red light cameras follow the rules established by the Texas Manual on Uniform Traffic Control Devices so that motorists have uniform expectations for the yellow light intervals. Unfortunately, the measure died in the Senate Infrastructure and Homeland Security Committee.

#### Repeals obsolete laws regulating railroads

Many of the civil statutes within Title 112 (Railroads) of the Revised Statutes are outdated or are preempted by federal law. The federal Surface Transportation Board has exclusive jurisdiction over the business operation of railroads. The Federal Railroad Administration has jurisdiction over railroad safety and preempts state regulation on the same topic. Generally, Texas' modern statutes on railroads are contained in the Transportation Code. There may no longer be a need to have separate law on corporations that concern only railroad corporations. To correct this, Senator Shapleigh joined forces with House State Representative, Mike Krusee (R-Round Rock) and sponsored H.B. 3711, which repeals most of Title 112 and amends remaining language to conform to current statute. The new measure becomes effective on September 1, 2007.

### **Increases Protection of the Public through Criminal Justice Measures**

During the 80<sup>th</sup> Legislative Session, Senator Shapleigh continuously fought to increase protection of vulnerable citizens and improve practices in criminal justice. For example, he introduced legislation calling for the creation of a Capital Punishment Commission among other measures. Senator Shapleigh's criminal justice agenda is discussed below.

#### Ensures the confidentiality of victims of family violence

Currently, there is no address confidentiality program for victims of family violence in Texas. According to the Texas Council of Family Violence, 143 women died in 2005 as a result of domestic violence. Some of these deaths might have been avoided if the addresses of family violence victims had been kept confidential. Without the existence of such a program, many victims of family violence do not obtain a driver's license or register to vote, for fear of making their address open to the public. There is an increasing need for address confidentiality for victims of family violence due to the public's increased accessibility to personal information.

Senator Shapleigh co-authored S.B. 74 by Senator Eddie Lucio (D-Brownsville), which establishes an address confidentiality program administered through the Office of the Attorney General. The purpose of address confidentiality programs is to protect the identities of victims of family violence, sexual assault, and stalking through the establishment of confidential mailing addresses. Such programs protect these victims by allowing them to conceal their whereabouts so their assailants cannot locate them. S.B. 74 became law on June 15, 2007.

#### Fights for public safety and victims' rights

With emotions running high on the issue of immigration, many immigrant communities are scared and uncertain about whether they can access emergency medical services without risking being reported to federal immigration authorities. There have even been isolated incidents of hospital personnel taking it upon themselves to report individuals suspected of being in the United States without proper documentation to federal immigration authorities. immigrants use fewer health care resources than native born residents of Texas, we know that immigrant families, just like any other family, rely on emergency medical responders in accident and emergency situations. These are essential services that all Texans should be able to rely on. No one should have to fear calling 911 or hesitate to take a loved one to the emergency room. By the same token, when our national security is at stake, our first responders must know that their job is to provide emergency medical care to everyone, no questions asked. Realizing this, Senator Shapleigh filed S.B. 151 to prohibit medical professionals and emergency medical responders from acting as unofficial immigration agents, ensuring crime victims and accident victims receive lifesaving emergency services, without fear of deportation. This bill would have ensured that all Texas residents can use 911, report accidents, cooperate with authorities during a disaster, and receive emergency services. As proposed, S.B. 151 would have provided a practical solution to problems created by federal inaction. Unfortunately, the bill did not receive a hearing in the Transportation and Homeland Security Committee.

#### Creates an accreditation process for battering intervention and prevention programs

Currently, there are 27 battering intervention and prevention programs that receive funding through the Texas Department of Criminal Justice (TDCJ). Although they are not officially accredited, these programs are required to meet several standards set out by TDCJ. Other programs in the state operate with no requirements. Some judges are not aware of the difference between the two types of programs and refer defendants to both those funded by TDCJ, which meet certain requirements, and those that are not required to meet any program criteria and are not funded by TDCJ. In a bipartisan effort, Senator Shapleigh joined forces with his colleague Senator Jane Nelson (R-Lewisville) and co-authored S.B. 44, which creates an accreditation process for battering intervention and prevention programs and requires judges to refer defendants in cases of family violence to a program accredited by TDCJ. The new law becomes effective on September 1, 2007.

#### Fights to redefine strangulation as a serious bodily injury

Strangulation is highly correlated with an increased risk of lethality in domestic violence cases. However, in many parts of Texas, penalties associated with strangulation do not reflect the seriousness of the offense. First-time offenders of all types of domestic violence receive the same punishment unless they cause "serious bodily injury." In a bipartisan effort, Senator Shapleigh joined forces with Senator Jane Nelson (R-Lewisville) and co-authored S.B. 45, which would have redefined "serious bodily injury" to include strangulation. Unfortunately, the measure was left pending in the Senate Criminal Justice Committee.

In 1973, the 63<sup>rd</sup> Texas Legislature imposed a duty to retreat in the face of a criminal attack, permitting the use of deadly force only if a reasonable person in the situation would not have retreated. This, in effect, placed the burden on the victim to retreat in the face of an impending lethal attack and reversed what had been the longstanding practice of recognizing the right of a person to stand his or her ground in the face of an attack. In 1995, the 74<sup>th</sup> Texas Legislature created an exception to the duty to retreat before using deadly force in response to an unlawful entry into the habitation of the actor, but the duty still applied in any other location where a lethal attack might occur.

#### Expands individuals rights for self-defense outside the home

Under Chapter 9 (Justification Excluding Criminal Responsibility) of the Penal Code, a person is justified in using force and, in some instances, deadly force to repel an aggressor. In deadly force situations, the person must reasonably believe that the force is immediately necessary to protect his or her person from the exercise of unlawful deadly force by the aggressor or to prevent the imminent commission of an aggravated kidnapping, murder, sexual assault, aggravated sexual assault, robbery, or aggravated robbery. Current law provides an affirmative defense to a civil action brought by an attacker for damages for personal injury or death resulting from the use of force or deadly force, but only in cases involving home invasions. As a result, a person who justifiably uses force or deadly force outside of the home and is not guilty of any crime may still be open to a civil action filed by the criminal or the criminal's family.

In addition, the Texas Penal Code contains no presumption of reasonableness in defending a home, vehicle, place of business, or place of employment against unlawful intruders. Instead, Texas juries must decide after the fact whether a victim's actions to protect the victim and his or her family were reasonable or necessary under the circumstances. In a bipartisan effort, Senator Shapleigh worked with Senator Jeff Wentworth (R-San Antonio) and co-authored S.B. 378, which explicitly states that a person has no duty to retreat if the person is attacked in a place where he or she has a right to be present, if he or she has not provoked the attacker, and if the person using force is not engaged in criminal activity at the time the force is used. In addition, the jury is instructed to presume that the victim's actions were reasonable if the victim brings forth evidence that he or she is entitled to the presumption, unless the state can prove otherwise beyond a reasonable doubt. Finally, the bill expands the existing affirmative defense to a civil action brought by an injured criminal attacker or his family to apply to any force or deadly force conduct authorized by Subchapter C (Protection of Persons), Chapter 9, Penal Code. The new law becomes effective on September 1, 2007.

#### Fights for the protection and care of Texas youth

Although the most notorious cases of abuse have been at the West Texas facility of the Texas Youth Commission (TYC), the rape, abuse, and mistreatment of inmates at facilities across the state has been prevalent for many years. The abuse of many of these youth has recently come to lawmakers' attention and has warranted immediate legislative action to remedy the long-term and extensive problems at TYC.

To ensure that these horrible abuses never take place again, Senator Shapleigh joined forces with his colleague Juan "Chuy" Hinojosa and co-authored S.B. 103, which adds TYC inspectors to the list of persons considered peace officers and requires the TYC to establish an Office of Inspector General. The bill also requires the state to reimburse counties for expenses related to the prosecution of crimes committed on property owned or operated by or under contract with the TYC, gives counties the authority to request that the Special Prosecution Unit prosecute offenses that are committed on TYC property, and establishes an Office of Independent Ombudsman to make available third-party, confidential reporting for TYC youth and employees. This bill also aims to reduce the number of youth committed to the TYC by prohibiting placement of misdemeanants in the TYC and reducing the age limitation from 21 to 19 years of age.

Further, the bill provides that Juvenile Correctional Officers shall receive 300 hours of training before they undertake guarding duties and potential officers will receive more rigorous criminal background checks before employment. The TYC will have one guard supervising every 12 youths, and age will be a significant factor when assigning officers to supervise youths. The courts will no longer send children to the TYC for misdemeanors. A minimum length of stay shall be given to each youth admitted to the TYC with an indeterminate sentence. Long-term rehabilitation plans, reviewed at least every six months, will be created for each youth and a quarterly report will be sent to the youth's parents or guardians. For the first time, the TYC will be required to create a Parent's Bill of Rights.

Independent of this bill, the TYC is scheduled to be under review by the Sunset Advisory Commission in 2009. S.B. 103 passed both chambers of the legislature and was signed by the Governor. The legislation took effect immediately.

#### Fights to protect citizens against dangerous dogs and make dog owners more responsible

Currently, a person commits an offense if the person does not properly secure a dog that has been declared a dangerous dog and that dog injures a person. A dog can be declared a dangerous dog by animal control authorities only after evidence is produced demonstrating that a dog is aggressive or has injured someone in the past. If a dog is declared a dangerous dog, it is the responsibility and duty of the owner to properly secure the dog, post warnings, and obtain insurance. Currently, it is a Class C misdemeanor if a dangerous dog injures a person and a Class A misdemeanor if the dog causes serious bodily injury or death. In addition, the dog may be ordered destroyed. Because current statute requires "dangerous dog" to be officially declared, irresponsible owners allow their dogs to roam loose without recourse by simply stating "my dog has never been deemed to be a dangerous dog." Dog attacks have been taking lives in the State of Texas at an alarming rate. To prevent these occurrences, punishment should be given out the first time an attack occurs.

In response, Senator Shapleigh joined forces with Representative Dan Gattis (R-Georgetown) and sponsored H.B. 1355, which requires all dog owners to properly secure their dogs on their property, regardless of whether the dog has been declared a "dangerous dog" in the past. The bill provides that the dog owner can be held criminally responsible if the dog causes serious bodily injury or death at a location other than the owner's property in an unprovoked attack, and if the owner failed to secure the dog in a criminally negligent manner. This bill provides that the crime is punishable as a third degree felony for serious bodily injury and as a second degree felony for death. The bill also provides defenses to prosecution for many professionals who deal with dogs on a regular basis. In the end, H.B. 1355 unanimously passed both chambers of the Texas Legislature. The law takes effect on September 1, 2007.

#### Works to help grieving families obtain high school diplomas

Under current law, school districts are not authorized to issue high school diplomas posthumously to students who attended high school in the district and were victims of a criminal homicide during the school year. Jennifer Crecente was killed by her boyfriend in South Austin on February 15, 2006. Jennifer was a student at Bowie High School who had aspirations to become a psychiatrist and who loved to take photographs. Three months after her death, with her graduation day approaching, the Crecente family received a certificate for Jennifer's 12 years of work and dedication in furthering her education. Unfortunately, students who have died before completing all required courses are not eligible to be awarded a high school diploma. The Crecente family has had difficulty coping with Jennifer's death, and they have tried to obtain her high school diploma to honor Jennifer's desire to pursue her goal to become a psychiatrist. To remedy this, Senator Shapleigh worked with Representative Valinda Bolton (D-Austin) and sponsored H.B. 1563, which, upon request by the student's parent, requires a school district to issue a high school diploma posthumously to each student who attended high school in the

district during the 2005-2006 school year at grade level 12 and who was the victim of criminal homicide during that school year. H.B. 1563 became effective on June 15, 2007.

#### Works to protect Texans from gas gouging

With the uncertainty that natural disasters bring to communities, it is extremely important to have resources readily available. Fuel ranks as one of the most important resources needed in such catastrophic events. Knowing that people are forced to buy fuel regardless of the price, some unscrupulous businesses take advantage of this situation and increase the price of gasoline. This is called gas gouging. Based on legislation enacted in numerous states, Senator Shapleigh filed S.B. 764, which would have prevented a business from increasing the price of gasoline more than 20 percent during the period beginning the day the disaster occurred or began to occur, and ending on the 90<sup>th</sup> day after the date of the Governor's natural disaster declaration. Unfortunately, S.B. 764 failed to get a hearing in the Senate State Affairs Committee.

#### Creates a new judicial district court in El Paso County

In 2001, over 13,000 civil cases were left pending in El Paso County. This number has since increased to 17,000 cases left pending in 2006. Additionally, civil cases in El Paso County are expected to rise even faster than the previously projected high population growth rate. Lastly, El Paso expects to gain more than 20,000 soldiers and more than 65,000 military dependents due to base realignment and closure, which will result in additional civil cases. These factors, when taken into consideration with the relatively low rate of clearance of civil cases, create a situation where an additional district court in El Paso County is necessary. In response, Senator Shapleigh joined forces with his colleague Representative Norma Chavez (D-El Paso) and sponsored H.B. 1554, which creates the 448th Judicial District in El Paso County. While H.B. 1554 did not pass, Senator Shapleigh successfully amended its provisions onto S.B. 1951 by Senator Jeff Wentworth (R-San Antonio), which did pass. The measure becomes effective on September 1, 2007.

#### Creates El Paso County's Criminal Judicial District No. 1.

The United States Census Bureau has cited the population of El Paso County as having increased from 679,622 in 2000 to 708,319 in 2005. The population increase necessitates that a new criminal judicial district be created in El Paso. In response, Senator Shapleigh joined forces with his colleague Representative Norma Chavez (D-El Paso) and sponsored H.B. 1628, which creates a new criminal judicial district in El Paso County. While H.B. 1628 did not pass, Senator Shapleigh worked with his colleague, Senator Jeff Wentworth (R-San Antonio) and amended its provisions onto S.B. 1951. The measure becomes effective on September 1, 2007.

#### Fights to give El Paso County authority to regulate land development in unincorporated areas

Texas' urban border counties are experiencing rapid population growth and concomitant commercial and residential growth. Much of this growth is taking place in the unincorporated areas of the counties. The resulting haphazard and non-cohesive patchwork of development has led to the inefficient use of land, infrastructure, and public resources, and burdened public health,

education, and safety systems. Projected additional growth generated by continuing population shifts and military expansion is expected to worsen conditions and prove detrimental to the well-being of these areas and the rest of the state. In response, Senator Shapleigh filed S.B. 1241, which would have enabled El Paso County to plan for future economic and population growth in unincorporated areas and to enact regulations and plans regarding development and land use in such areas. The bill would have authorized the El Paso Commissioners Court to appoint members of zoning commissions and boards of adjustments. Unfortunately, the bill was left pending in the Senate International Relations and Trade Committee. As session progressed, Senator Shapleigh strongly supported a similar measure by Senator Eddie Lucio (D-Brownsville), who amended his bill onto a measure by Representative Ryan Guillen (D-Zapata). That measure fell short of receiving the necessary votes on the House floor.

## Ensures that El Paso County is adequately reimbursed by the commissioners courts of Culberson and Hudspeth counties

Current law requires the commissioners courts of Culberson and Hudspeth counties to each pay El Paso County \$100 a month to be expended for the preparation and conduct of criminal affairs of the district attorney's office. It came to Senator Shapleigh's attention that this fixed amount no longer properly addresses the costs of conducting such affairs on the part of El Paso County. In response, Senator Shapleigh filed S.B. 1379, which requires Culberson and Hudspeth Counties to reimburse El Paso County for certain costs related to the preparation and conduct of criminal affairs of the district attorney's office. The bill requires the preparation of a budget and financial statement by the district attorney's office with certain information respective to El Paso, Culberson, and Hudspeth Counties. Lastly, the bill provides directions regarding the reimbursement of El Paso County by Culberson and Hudspeth Counties, and provides that El Paso County is responsible for managing the funds expended by the district attorney's office. While S.B. 1379 did not pass, Senator Shapleigh successfully amended the measure onto S.B. 1951 by Senator Jeff Wentworth (R-San Antonio). The law takes effect September 1, 2007.

#### Regulates the fees charged for public health services by El Paso County

Currently, certain facilities are charged a higher fee for health inspections when they are within the city limits of El Paso. Thus, an identical business outside the city limits is charged significantly less because of its location. At the request of El Paso County, Senator Shapleigh rectified this and filed S.B. 1380, which authorizes a uniform service charge throughout a jurisdiction regardless of which governmental entity of a public health district charges a fee. The measure passed and became effective on September 1, 2007.

#### Improves the juvenile justice information system

The Department of Public Safety (DPS) is responsible for the juvenile justice information system, which is a computer system for managing juvenile criminal cases. This system serves as a record creation point for the juvenile justice information system maintained by the state and as the control terminal for entry of records which ultimately go into the Federal Bureau of Investigation record system. This system may be better utilized if the types of documents allowed in the system are expanded, if the authority of the district clerk in managing these

documents is clarified, and if the use of electronic signatures is authorized by statute. Responding to a request brought by the El Paso County Attorney's office, Senator Shapleigh filed S.B.1915, which authorizes electronic filing of court pleadings and court document management by the court clerk to the juvenile justice information system. This bill also authorizes all court documents to be contained in the system and provides that certain security standards are in place when electronic signatures are used with these documents. While S.B. 1915 did not pass, Senator Shapleigh amended its provisions onto H.B. 2884 by Representative Harold Dutton (D-Houston). The measure will take effect on September 1, 2007.

#### Creates additional county criminal courts at law in El Paso County

The American Community Survey by the United States Census Bureau estimated the 2005 population of El Paso County as 708,319, an increase from 679,622 gathered by the 2000 census and 591,610 in the 1990 census. Due to this considerable increase in population, El Paso County is in need of two new county criminal courts at law. Additionally, El Paso expects more than 20,000 soldiers and more than 65,000 family members as a result of base realignment and closure actions. This immediate and large population increase may lead to an increase in criminal cases, and further strain the courts' ability to manage the vast number of criminal cases. In response, Senator Shapleigh sponsored H.B. 4008 by Representative Norma Chavez (D-El Paso), which adds two additional county criminal courts at law in El Paso—County Criminal Courts at Law No. 3 and No. 4. The new measure takes effect on September 1, 2007.

#### Continues his fight against the death penalty

The Governor of Texas does not currently have the authorization to declare a moratorium on executions, but he does have the constitutional power to grant reprieves, commutations and pardons if, and only if, the Texas Board of Pardons and Paroles set forth a recommendation to do so. In response, Senator Shapleigh authored S.J.R 21 to address the systemic flaws in the manner in which the Texas death penalty is imposed and administered. S.J.R. 21 would have proposed a constitutional amendment that, if ratified by a vote of the people, allowed the Governor to order the Texas Department of Criminal Justice to cease executions. S.J.R. 21 failed to receive a hearing in the Senate Criminal Justice Committee, and its companion H.J.R. 23 by Representative Elliott Naishtat (D-Austin) died in the House Calendars Committee.

#### **Protects Texas' Natural Resources**

#### Advocates for an improved air permit application and permit renewal process

The Texas Clean Air Act addresses, among other topics, the manner in which the Texas Commission on Environmental Quality may deny an application for an air quality permit or permit renewal. Recently, permit applicants have begun arguing that the Clean Air Act does not allow denial of a permit application, even after a contested hearing that results in a Commission finding the permit does not comply with the Act. Under Sec. 382.0518 (d) and (e) of the Health & Safety Code, if the Commission finds that a proposed facility would contravene the standards of the Clean Air Act, the Commission is required to set out in a report to the applicant the specific objections. If the applicant later satisfies the Commission's objections, then the Commission must grant the permit. As a result, the Commission is effectively precluded from immediately denying a permit, even if the applicant has been party to a contested case hearing and subsequent finding by an administrative law judge. Instead, the Commission must set out its objections and wait to see if the applicant satisfies those specific objections.

Thus, Senator Shapleigh filed S.B. 1916, which would have required that if the Commission finds the emissions from a proposed facility will contravene the standards established in the Clean Air Act and the air permit application has gone through a contested case hearing, then the application shall be denied. If, on the other hand, the permit application has not gone through a contested case hearing, then the requirement for a report from the Commission will still apply, giving applicants the opportunity to meet the objections of the Commission. S.B. 1916 was left pending in the Senate Natural Resources Committee.

#### Proposes proof of financial responsibility for air quality permit applications

Air permit renewal at the Texas Commission on Environmental Quality is essentially a perfunctory exercise. If the state is to perform this function, it should have meaning, and ensure that those that receive permits are good corporate citizens. One company in particular has left billions of dollars of liability across the country and Texas. While the offending company gets away with leaving contamination in the soil, air, and environment, Texas taxpayers are left with the bill—particularly after the company declares bankruptcy.

Senator Shapleigh filed S.B. 1958, which would have allowed the Commission to deny or amend an air quality permit application or renewal if that company has been found to be in noncompliance with a cleanup order, unless the applicant has proven to the jurisdictional entity that the applicant is making satisfactory progress in cleaning up the site or has the ability to pay for the costs of cleanup. Due to significant opposition by industry, the bill was left pending in the Senate Natural Resources Committee.

#### Fights to protect the Chihuahuan Desert and its various species of desert plants

The current trend in home landscaping toward xeriscaping, a water-conserving landscaping method, and tough Arizona laws regulating the desert plant trade have made the West Texas

desert area a prime target for illegal harvesting of cacti and other succulents. So-called "cactus rustlers" take desert plants from public land, or from private land without permission. The plants are then sold for profit in Texas and other states, especially Arizona and California. Some private landowners also harvest desert plants on their own land. The Chihuahuan Desert is one of the most biologically rich deserts in the world, home to almost a quarter of the 1,500 cactus species known to science, including many species found nowhere else. The removal of these plants in such large numbers is seriously damaging the delicate desert ecosystem. Removing too many of these crucial cacti and desert plant deprives desert dwellers, such as mountain lions, hummingbirds, woodpeckers, and bats, of food and shelter and disrupts the ecological balance of the area.

The United States ranks among the world's largest cactus producers; markets with the highest concentration of growers and harvesters are located in the Southwest. Between 1998 and June 2001, almost 100,000 succulents worth an estimated \$3 million were shipped from Texas to Arizona. These included both cacti harvested from the wild in Texas, and illegal imports from Mexico. Mexican authorities seized almost 800 cactus specimens from travelers entering or passing through the U.S. from Mexico in 1998. The trade taking place is massive, and it is likely that it will continue to grow due to the high demand for landscaping plants. It is expected that this demand for desert plants will soon surpass the desert's natural supply. Recognizing what a valuable asset our desert is for our standard of living, Senator Shapleigh filed S.B. 689, which directed the Texas Department of Agriculture to administer and adopt rules necessary to enforce a system of inspections to ensure that each desert plant sold in or leaving Texas has been legally harvested. While this measure passed the Senate, it was not given a hearing in the House Agriculture and Livestock Committee.

#### Provides the City of El Paso the authority to expand their storm water drainage utility

Under current law, there is a provision within the Local Government Code that was adopted in the 1980s to enable El Paso to establish a drainage utility by city ordinance, but the service area is limited to areas within the corporate boundaries of El Paso. Over the years, numerous cities have received special authority through legislation to expand their storm water drainage utility into their extraterritorial jurisdiction. Of the six cities with a population over 400,000, only Dallas and El Paso currently lack the authority to provide storm water drainage protection in their extraterritorial jurisdictions.

El Paso's recent rainstorms and flooding resulted in significant hardships, costs, and damage to many areas within the city and county of El Paso. The flooding, caused by storm water drainage, created numerous health and safety issues for the residents of El Paso. In response, Senator Shapleigh filed S.B. 688, which expands the applicability of the exemption from the prohibition of extending a service area outside of its municipal boundaries for certain municipal drainage utility systems to municipalities with a population over 500,000 located within 50 miles of an international border. The measure passed and became effective on June 16, 2007.

#### Fights to provide counties the ability to create a county solid waste program

Municipalities and counties with populations over 30,000 must assure that solid waste collection services are provided to all persons under the jurisdiction of the county or municipality. Chapter 364 (County Solid Waste) of the Health and Safety Code permits a county to offer and require the use of solid waste disposal services within its territory and to charge a reasonable fee for the service. This helps to maintain the health and safety of the community and avoids the illegal dumping and burning of residential trash. Under Section 364.034(e) (Solid Waste Disposal Services: Fees) of the Health and Safety Code, individuals who have entered into a pre-existing solid waste collection agreement with a third party are exempt from receiving county-mandated solid waste services. This provision has hampered the efforts of counties to ensure that all residents receive and utilize solid waste disposal services as residents may sign up for a service and then discontinue it shortly thereafter. In response, Senator Shapleigh filed S.B. 1589 to help enforce the requirement that all residents utilize a solid waste disposal service.

S.B. 1589 was voted out of the Senate, but it was left pending in the House Committee on County Affairs. Senator Shapleigh worked with Senator Jeff Wentworth (R-San Antonio) and Representative Dennis Bonnen (R-Angleton) to amend this concept onto H.B. 1251. The resulting legislation would allow for an exemption whereby a person receiving services at the level that is the same as or higher than the level of services that would otherwise be required by the county/municipality. After service is terminated under that contract, the person has 15 days to notify the county/municipality of termination. This does not pertain to a private entity that contracts to provide temporary solid waste disposal service to a construction project. H.B. 1251 was successfully voted out of the Senate and the House and signed by Governor Perry. The bill took effect immediately.

## Requires the Texas Water Development Board to conduct a study relating to the impact of climate change on surface water in the Rio Grande region

The Intergovernmental Panel on Climate Change (IPCC) released an assessment report in February of 2007 regarding climate change. "Climate change" can be used interchangeably with "global warming" because the changes in temperature affect the weather patterns that people and the ecosystems have become accustomed to over time. According to the report, the first six months of 2006 were the warmest period on record for the United States, and five states, including Texas, experienced record warmth. Problems accompanying climate change include rising sea levels, melting polar ice, and an increase in the number and severity of floods, droughts, hurricanes, and storms.

Hurricanes draw their strength from the heat in surface ocean waters. During the 2005 hurricane season in the Atlantic Ocean, four Category 5 storms were recorded for the first time since record-keeping began. During the time when Hurricane Katrina was escalating from a tropical storm into a Category 5 hurricane, the Gulf of Mexico waters were unusually warm—about two degrees Fahrenheit warmer than usual for that time of year.

According to a Texas Tech University geoscientist, Texas can expect the state's winters, on average, to warm between two and five degrees Fahrenheit, and summers between four and 11

degrees by mid-century. As the temperature rises, evaporation of water increases, including key water sources. In 2000, Texas and California alone accounted for 17 percent of the total surface water withdrawals in the United States. Texas' 2007 State Water Plan did not include the climate change in its report because "the effect on the state's water resources over the next 50 years is probably small enough that it is unnecessary to plan for it specifically."

In response, Senator Shapleigh filed S.B. 1762 to require the Texas Water Development Board, in coordination with the Far West Texas Water Planning Group, to conduct a study on the impact of climate change on surface water. The bill also requires the board to submit a written report regarding its findings to the legislature. S.B. 1762, a global warming bill, successfully passed the Senate and the House and was signed by Governor Perry, to take effect immediately.

## Works toward providing the General Land Office the authority to accept, approve and file corrected field notes to certain tracts of land in El Paso County and Hudspeth County

All surveyors are required by law to use the original survey as the controlling survey when locating original boundary lines. In certain areas of El Paso and Hudspeth Counties, this survey is known as the Kuechler Survey and was performed on or about 1879. An unofficial private survey was performed on or about 1937 and is known as the Baker Survey. The Baker Survey's corners and boundaries do not align with the Kuechler Survey, but have been used extensively by private landowners. Consequently, the boundary lines that many local landowners are relying on are not legally where they should be. This can cause title problems when landowners are trying to buy or sell property. Due to the pervasiveness of the use of the Baker Survey, a logical solution for this problem is to accept the Baker Survey as the controlling survey for the affected area (herein the "Containment Area"). However, by law, boundaries of original surveys cannot be extended or varied, so the Commissioner of the Texas General Land Office (GLO) has no authority to accept a survey that places the boundary lines in any location other than the position they were placed by the original surveyor.

To correct this, Senator Shapleigh filed S.B. 863 to give the Commissioner of the GLO the authority to accept and file corrected field notes based on the Baker Survey within the "Containment Area." The measure required any landowner submitting an application to have affidavits of agreement from all surrounding landowners before the Land Commissioner can approve the corrected field notes. After convening a work group of El Paso Land and Title Companies, the consensus was to continue to work toward developing legislation around this issue. S.B. 863 by Senator Shapleigh was intentionally left pending in the Senate Committee on Natural Resources.

## Repeals the authority of certain water supply or sewer service corporations to dissolve and transfer assets and liabilities to a municipality

S.B. 1811 from the 79<sup>th</sup> Legislative Regular Session amended the statutory provisions governing non-profit water supply corporations to assist El Paso Water Utilities in taking over a non-profit water supply corporation that was no longer operational. The change to Chapter 67 (Nonprofit Water Supply or Sewer Service Corporations) of Water Code was bracketed for El Paso Water

Utilities so that it could acquire the assets and customer service accounts of the Ponderosa and Western Village Water Supply Corporation.

At the time the legislation was passed, the Texas Rural Water Association, a trade association whose membership includes the majority of non-profit water supply corporations in Texas, expressed concerns over the Act because of potential statewide policy implications. However, in the spirit of compromise, the Texas Rural Water Association withdrew its opposition with the understanding that this amendment to the Water Code would be repealed by the 80<sup>th</sup> Legislature. In response, Senator Shapleigh sponsored H.B. 3353 by his colleague Representative Pat Haggerty (R-El Paso), which repeals these changes to Chapter 67 of the Water Code. Although El Paso Water Utilities has not completed the acquisition of the Ponderosa and Western Village Water Supply Corporation, this bill provides continued legal authority for that authorization to continue after the repeal. The measure becomes effective on September 1, 2007.

#### Fights to implement recycling of computer equipment

In 2005, it was estimated that 2.6 million tons of electronic waste (e-waste) were generated in the municipal solid waste stream, making this the fastest growing municipal waste stream in the United States. Most electronic equipment contains toxic substances that need to be disposed of properly, but only a small fraction of e-waste is recycled. Currently, firms are not held responsible for the e-waste they help to produce. In response, Senator Shapleigh co-authored S.B. 1324 by Senator Kirk Watson (D-Austin), which would have provided for e-waste recycling in a manner that seeks to combine the important principles of manufacturer responsibility, consumer convenience, accountability, transparency, education, and enforcement into a simple, effective, and efficient information technology collection and recovery system. Although S.B. 1324 was left pending in the House Committee on Environmental Regulation, the House version of S.B. 1324, H.B. 2714, passed both the House and the Senate and was signed by Governor Perry. The legislation will take effect on September 1, 2007.

#### Fights to improve air quality by promoting the "school bus program"

Pollutants emitted from Texas' school buses invade the air that Texas school children breathe daily. The Texas Clean School Bus Program is a grant program administered by the Texas Commission on Environmental Quality (TCEQ), and every public school and educational service center in the state may apply for funds. The legislature approved the Clean School Bus Program in 2005, but did not appropriate any funds. In response, Senator Shapleigh joined forces with Senator Kirk Watson (D-Austin) and co-authored S.B. 529, which would have authorized the use of surplus money from the Texas Emissions Reduction Plan (TERP) and the Low Income Vehicle Repair and Assistance Program (LIRAP) and removed certain limits on spending that money. In addition, the bill updated the list of technologies that can be used to clean up the buses and provided guidance for prioritizing projects so that the money will be spent in the most effective way. Unfortunately, the measure died in the House Calendars Committee.

# Works to Increase Revenue for Critical Needs and Promotes Fiscal Responsibility and Management

Whether in times of financial crisis or during a prosperous economy, the State of Texas should be funded through an open system that ensures the delivery of essential services and spreads the burden of cost fairly. The legislation discussed below addresses these concerns.

#### Fights to increase the state's revenue by protecting the Texas estate tax

The inheritance tax in Texas is a "pick up" tax on the federal inheritance tax; instead of having a distinctly separate inheritance tax, Texas piggy-backs on the federal inheritance tax. Thus, the tax due to Texas is equal to the federal credit allowed for state inheritance taxes paid. This system takes advantage of the federal credit to reallocate part of the total tax from the federal government to the state. However, with current federal laws phasing out the federal estate tax, the inheritance tax revenue that Texas has enjoyed will soon be eliminated completely if Texas' tax laws are not amended.

Other states are protecting themselves from the immediate and large revenue loss by choosing not to conform to the federal change. Decoupling the state inheritance tax from the federal portion and creating a stand alone tax does not constitute a tax increase. The change in law merely retains a tax that the states already levy. Decoupling from federal inheritance taxes will protect Texas against the loss of a steady and sizable revenue stream. Unlike other tax revenue streams, the inheritance tax and other estate taxes are fairly consistent and not subject to the ebb and flow of the economy. As Texas is heavily reliant on the varying revenue generated by the regressive sales tax, it is particularly important to protect the revenue streams that are consistent.

Senator Shapleigh introduced S.B. 375, which would have decoupled the Texas estate tax from the federal estate tax. The bill would have linked the Texas inheritance tax to the federal law as it existed on December 31, 2000, which would have had the effect of continuing the state's ability to collect the tax regardless of changes to federal law. The bill died in the Senate Finance Committee.