

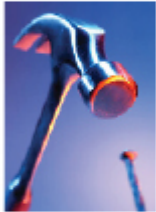


TEXAS  
ASSOCIATION  
OF  
BUILDERS

Legislative Line



313 E. 12th St.  
Ste. 210  
Austin, TX 78701  
(800) 252-3625  
[www.TexasBuilders.org](http://www.TexasBuilders.org)



Summarizing state legislative and regulatory developments affecting housing and the building industry.

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## INSIDE THIS ISSUE

### Rally Day 2011 - Next Wednesday, February 23!

***Rally Day is next week and it is not too late to join us! Contact your local association today for more details.***

The purpose of Rally Day is to deliver our legislative agenda right to the door of our State Representatives and Senators. As an industry, we must proactively inform elected officials of the consequences of passing over-reaching legislation that can have an overly burdensome and costly effect on Texas home builders and home buyers. Your state association leadership and staff are excited about the 82<sup>nd</sup> Session, but without your strong support and grassroots action, the Texas Association of Builders will not be able to accomplish its goals.

Rally Day will include an address from an elected official on the south steps of the Capitol. After the rally, we will have lunch on the Capitol grounds where all legislators and their staff are invited to join us. After lunch, groups will meet with their legislators to discuss the key issues on TAB's legislative agenda. Wrapping up the day's festivities will be a legislative reception at the historic Driskill Hotel.

[Click here](#) to go to the Members Only section of the TAB website to view the talking points that our members will be using next week.

We need your help to continue to protect our entire industry and ask that you make the commitment to travel to Austin on **Wednesday, February 23** for Rally Day 2011 to be a part of this special—and effective—legislative event.

If you have any questions, please contact Ashlei Leck at TAB at (512) 476-6346. Let's get ready to Rally!

### Please contact your local association to register for Rally Day

Stay for TAB's Winter Board Meetings!  
Thursday and Friday, February 24 and 25  
Driskill Hotel, Austin

Register for the board meetings at  
[www.texasbuilders.org](http://www.texasbuilders.org)

### Rally Day Video

**[Click here to see what Rally Day is all about!](#)**



*February 23, 2011  
Capitol Grounds*

*Build Relationships*

*Lobby Important Issues*

*Show Support for the Association*

*Take a Stand*

*Your Participation  
**Matters!***

Brought to you in part by:



## **Rally Day Schedule of Events**

### **Rally Day Schedule Wednesday, February, 23, 2011**

9 – 10:30 a.m.	Registration on Capitol Grounds (Rally Day Captains)
10:30 – 10:40 a.m.	Welcome and Opening Remarks at the South Steps of the Capitol
10:40 – 10:50 a.m.	Guest Speaker
10:50 – 11 a.m.	Legislative Agenda & Closing Remarks
11 a.m. – 1 p.m.	Barbeque Lunch on the Grounds of the Capitol
1 – 5 p.m.	Legislator Visits
5:30 – 7:30 p.m.	TAB Legislative Reception at the Driskill Hotel

### **Thank you to our 2011 Rally Day Partners!**





### Texas Panhandle Builders Association PAC

## HOME PAC-BuildPAC Esther's Follies Fundraiser - February 24

Purchase your tickets today before they sell out! Click [here](#) for tickets.



# HOME PAC & BUILD-PAC Fun(d) Raising

## The laughs are on US!



When: February 24, 2011  
 Pre-Party @ 7 p.m.  
 Show @ 8 p.m.

Where: 525 East 6th Street  
 Austin, TX 78701

How: Tickets available through  
 your HOME PAC Trustee or  
[www.TexasBuilders.org](http://www.TexasBuilders.org)

Tickets: \$50 per person



Political not paid for by HOME PAC of Texas Inc. 51  
 North Houston, TX, Texas. HOME PAC is the ap-  
 propriate and required entity of some committees of the  
 Texas Association of Builders. Corporate donations  
 are not accepted. Contributions are not deductible  
 for federal income tax purposes. Contributions to the Texas Association of Builders HOME PAC are volun-  
 tary and are used for political purposes.



Contributions are completely voluntary and will be used for political purposes.  
 Contributors have the right to contribute without approval. Contributions to BUILD PAC  
 are designated for the calendar year in which received. BUILD PAC may accept  
 personal contributions up to \$5,000 per calendar year. You must be a U.S. citizen or a green card holder with permanent resident  
 status to participate. Contributions by foreign individuals are not permitted. Contributions to PAC will be used solely for political  
 purposes. Federal law requires us to ask for your best efforts to collect and report this money. Making address corrections and  
 complete receipt of any individual whose contributions exceed \$200 in a calendar year. BUILD PAC may only accept personal  
 contributions if the Corporate contributions received will be used for other federal activities.

### 82nd Legislative Session Update

**GOVERNOR** – On Tuesday, Governor Rick Perry reiterated his commitment to strengthening Texas’ **competitive jobs climate** and renewed his call to make the **small business tax cut** passed last session permanent when he visited Ols Maintenance Supply in Houston to discuss the importance of small businesses to the Texas economy. Governor Perry also pledged to continue upholding the principles that have helped Texas lead the national economic recovery and add more new jobs than any other state in 2010, including maintaining a predictable regulatory climate and fair legal system. He outlined measures to further strengthen Texas’ legal system by creating a “loser pays” system to provide stronger protections against frivolous lawsuits; establishing an early dismissal option for frivolous lawsuits; ensuring new laws cannot create causes of action unless expressly established by the Legislature; and setting up expedited trials and limited discovery for lawsuits with claims between \$10,000 and \$100,000.

**SENATE** – This week the Senate passed **SB 16** by Dan Patrick (R-Houston) which would require a doctor to perform a **sonogram before performing an abortion** and make available both the sonogram image and the sound of the

fetal heartbeat. It would allow the woman to decline to see the sonogram or to hear the heartbeat. The bill passed by a vote of 21 to 10. Senator Jeff Wentworth (R-San Antonio) was the only Republican to vote against the bill. Three Democrats joined the other Republicans in voting for it including Senators Eddie Lucio, Jr. (D-Brownsville), Carlos Uresti (D-San Antonio), and Judith Zaffirini (D-Laredo).

**HOUSE** – Bills are being referred to House committees at the rate of around 100 per day. So far approximately 500 bills have been referred.

**BUDGET** – **Senate Finance Committee** Chairman Steve Ogden (R-Bryan) announced two subcommittees.

**Subcommittee on Medicaid** – Jane Nelson, Chair, and members: Bob Deuell, Kevin Eltife, Juan “Chuy” Hinojosa, John Whitmire, Tommy Williams, and Judith Zaffirini. T

**Subcommittee on Public Education Funding** – Florence Shapiro, Chair, and members: Robert Duncan, Craig Estes, Eddie Lucio, Jr., Dan Patrick, Kel Seliger, and Royce West. Senator Shapiro told her subcommittee that their job is to find ways to make education both cheaper and more accountable.

**House Appropriations Committee** Chairman Jim Pitts (R-Waxahachie) announced the chairs and members of the House Appropriations Committee’s subcommittees.

**Health and Human Services (Article II)** – John Zerwas, Chair, and members: Warren Chisum, Dawnna Dukes, Craig Eiland, Susan King, and Charles Schwertner.

**Education (Article III)** – Scott Hochberg, Chair, and members: Jimmie Don Aycock, Myra Crownover, Helen Giddings, Geanie Morrison, Diane Patrick, and Mike Villarreal. **General Government, Judiciary and Criminal Justice (Articles I, IV, and V)** – John Otto, Chair, and members: Angie Chen Button, Dee Margo, Armando Martinez, Ruth Jones McClendon, and Mark Shelton.

**Natural Resources, Business and Economic Development, and Regulatory (Articles VI, VII and VIII)** – Drew Darby, Chair, and members: Lance Gooden, Eric Johnson, Doug Miller, Debbie Riddle, and Raul Torres.

**Subcommittee on Current Fiscal Condition** – Jimmie Don Aycock, Chair, and members: Warren Chisum, Susan King, Ruth Jones McClendon, and Sylvester Turner.

On Thursday, the **Senate State Affairs Committee** took up:

**SJR 1** by Steve Ogden (R-Bryan) and **SJR 10** by Florence Shapiro (R-Plano) calling on Congress to convene a constitutional convention for the purpose of passing an amendment to the U.S. Constitution that would require a federal balanced budget. Senator Shapiro said, “Texas needs to tell Washington to reign in deficit spending. Our current national debt is \$14 trillion and has increased by 33% since 2009. This debt is unprecedented and we all know, cannot be sustained.” Before sending it to the floor, an amendment was added to provide that Texas’ call for a convention would be rescinded if the body considers amendments other than a balanced budget amendment. *It was reported out favorably and is on Tuesday’s Senate Intent Calendar.*

On Tuesday, Senator Kirk Watson (D-Austin) filed what he calls his “**Honesty Agenda**” which includes 15 bills designed to **open the budget process**, make information widely available about the state’s finances, and enhance citizens’ power over the state treasury.

**Next Week:** The **Senate Finance Committee** will meet on Monday, February 21, 2011 at 12:30p.m. in the Senate Finance Committee Room (E1.036). They also have meetings scheduled for Tuesday, Wednesday, and Thursday. The **Senate Finance Committee's Subcommittee on Medicaid** will meet on Monday at 9:00a.m. in the Senate Chamber.

The **House Appropriations Committee** will meet on Monday, February 21, 2011 in E1.030. They will also meet on Tuesday and at additional times subject to the call of the chair. The **Subcommittee on Article II** will meet on Tuesday. The other subcommittee meetings are not yet posted.

**ECONOMIC DEVELOPMENT** – The U.S. Department of Commerce ranked **Texas the top exporting state in 2010** for the 9<sup>th</sup> year in a row. Texas' exports in 2010 totaled more than \$206.6 billion, up 26.7% from \$162.9 billion in 2009, outperforming overall U.S. exports, which grew by 20.9% in 2010. The state's top export recipients were Mexico, Canada, China, Brazil and South Korea, which respectively imported \$72.3 billion, \$18.6 billion, \$10.2 billion, \$7.1 billion and \$6.4 billion in Texas-manufactured goods. Additionally, Texas' top exporting industries in 2010 were computers and electronics, chemicals, petroleum and coal, machinery, and transportation equipment. Texas continues to outperform the rest of the nation in job creation, maintaining an unemployment rate a point lower than the national average, creating more jobs in 2010 than any other state, and achieving a job growth rate in 2010 nearly double that of any other top ten state. Texas' economy has received other national recognition including: Newsweek ranked four Texas cities on its list of 10 cities best situated for economic recovery, and described Texas as the top destination for job-seeking Americans. The Wall Street Journal credited the state's low taxes and employer-friendly environment with helping make Texas the job creation capital of the nation. And Standard & Poor's issued a report in October affirming Texas' status as a national economic leader and touting the policies that made Texas one of the last states to fall into the national recession, and the first leading the way out. Texas also remains home to more Fortune 1000 companies than any other state.

**ENERGY** – On Tuesday, the **Senate Business and Commerce Committee** and the **Senate Natural Resources Committee** held a joint hearing on the **rolling blackouts** that occurred in the state on February 2<sup>nd</sup>. Barry Smitherman, Chairman of the Public Utility Commission gave three reasons why equipment failure led to the blackouts. First was a lack of communication between various agencies that oversee the power grid in Texas. Second was a problem with the state's natural gas supply. Electric supplies were accidentally cut to some gas plants, so they weren't able to supply additional gas needed to generate electricity. And, finally, a lack of adequate winterization to protect against extreme cold. Smitherman said that all plants in Texas are weatherized, but mostly to protect against hurricane, rather than cold conditions. He explained that one of the solutions the PUC is looking at include a review of all emergency plans at the various power generators to ensure they have adequate protection against future cold weather events. He believes that current statutory authority combined with market forces are enough to encourage suppliers to better prepare. David Campbell, CEO of Luminant, reported that his company had outages at three coal-fired plants and a few small gas generators due to cold weather. He told the committee that his company is willing to work with the state to ensure that a similar outcome can be avoided in the future.

**PROPERTY:**

*Next Week:* The **House Land and Resource Management Committee** will meet on Monday at 2:00p.m. in E2.012 of the capitol extension for an organizational meeting and to hear invited testimony.

The **House Insurance Committee** will meet on Tuesday, February 22, 2011 at 10:30a.m. in E2.026 of the capitol extension to have an orientation and review of the **Texas Windstorm Insurance Association**.

**REDISTRICTING** –On Thursday, the U.S. **Census Bureau delivered 2010 census data** to the State of Texas for use in redistricting. The census figures indicated that the population of Texas was 25.1 million in 2010, a gain of 20.6% in the last 10 years (4.3 million people). The Hispanic population of Texas increased from 6.7 million to 9.5 million in 2010 increasing the overall Hispanic percentage of the population from 32% to 37.6%.

**TAX** – An **affiliate nexus** bill was filed in the Texas Legislature this week: **HB 1317** by Elliot Naishtat (D-Austin) would create a rebuttable presumption that a retailer is doing business in Texas, and thus required to collect sales tax, if the retailer enters into an agreement with a Texas resident under which the resident receives a commission or other consideration for direct or indirect referrals by any means, including a link on an Internet website, and the retailer received at least \$10,000 in gross receipts from such residents over the previous four calendar quarters. The presumption may be rebutted by proof that the Texas resident did not engage in any solicitation in Texas on behalf of the retailer that would satisfy Constitutional nexus requirements. It was filed after **Amazon.com** announced last week that it would close its Irving distribution facility. Comptroller Susan Combs has requested Amazon to pay \$269 million which she estimated the company owes in back sales taxes. Governor Rick Perry was quoted in the Washington Examiner as saying, “That is a problem and I would suggest to you that we need to look at that decision that our comptroller made. The comptroller made that decision independently. I would tell you from my perspective that’s not the decision I would have made.”

*Next Week:* The **House Ways and Means Committee** will meet on Monday, February 21, 2011 at 2:00p.m. in E2.014 of the capitol extension for an organizational meeting and to hear invited testimony.

**TORT:**

*Next Week:* The **House Judiciary and Civil Jurisprudence Committee** will meet on Monday, February 21, 2011 at 2:00p.m. in E2.010 of the capitol extension for an organizational meeting and to take invited testimony.

**82nd Legislature Dates of Interest**

**Wednesday, February 23, 2011**

**Texas Association of Builders Rally Day at the Capitol.**

**Friday, March 11, 2011 (60<sup>th</sup> Day)**

Deadline for filing bills and joint resolutions other than local bills, emergency appropriations and bills that have been declared an emergency by the governor.

**Monday, May 30, 2011 (140<sup>th</sup> Day)**

Last day of 82nd Regular Session. The Legislature adjourns Sine Die.

**Sunday, June 19, 2011** ( 20<sup>th</sup> Day Following Final Adjournment)

Last day governor can sign or veto bills passed during the regular legislative session.

**Monday, August 29, 2011** (91<sup>st</sup> Day Following Final Adjournment)

Date that bills without specific effective dates (that could not become effective immediately) become law.

## Helpful Links

[Texas House of Representatives](#)

[Texas Senate](#)

To research bills of interest, visit the [Texas Legislature Online](#).

