



T E X A S  
ASSOCIATION  
OF  
BUILDERS

**Legislative Line**



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

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**Special Session Recap**

The First Called Session of the 81<sup>st</sup> Texas Legislature was kicked off at 10:00a.m. on Wednesday, July 1, 2009. It only lasted two days. The legislature passed a bill extending the sunset date for state agencies scheduled to expire on September 1, 2009, and they authorized spending on transportation projects. They did not act on the third item in the governor's call - extending the authority of the Texas Department of Transportation to enter into comprehensive development agreements.

**GOVERNOR** – Governor Rick Perry called the Texas Legislature into special session saying, “The 81<sup>st</sup> Legislative Session was one of the most successful in recent memory, providing a tax cut to 40,000 small businesses and increasing financial aid for college students by more than 40%, all without touching our state’s Rainy Day Fund. After speaking with legislators, I am calling a special session to extend the operation of five critical agencies and help reduce gridlock by continuing to provide options for financing our state’s highways.” He put three issues on the special session agenda:

- Legislation extending the existence of five state agencies that were subject to sunset review by the 81<sup>st</sup> Legislature that would otherwise be abolished without legislative action, and to change the review schedule for certain state agencies to balance the Sunset Advisory Commission’s workload. These agencies include the Texas Department of Transportation, Texas Department of Insurance, Texas Racing Commission, Office of Public Insurance Counsel and Texas State Affordable Housing Corporation;
- Legislation allowing the Texas Department of Transportation to issue general obligation bonds, which have already been approved by voters, for highway improvement projects, and for the creation, administration, financing and use of a Texas Transportation Revolving Fund to provide financial assistance for transportation projects; and
- Legislation extending the authority of the Texas Department of Transportation and a regional mobility authority to use comprehensive development agreements to design, finance, build and maintain transportation infrastructure.

At the conclusion of the short session, Governor Perry said, “I am pleased that lawmakers passed legislation to continue the Texas Department of Transportation, Texas Department of Insurance and three other state agencies, and authorized the issuance of \$2 billion in transportation bonds that were approved by Texas voters in 2007. With more than 1,000 people moving to Texas each day and a growing economy, improving transportation in our state continues to be a top priority of mine. I had hoped to reduce uncertainty regarding several major transportation projects across the state by extending the comprehensive development agreement authority for local and state transportation agencies. Although the CDA bill did not pass, we will continue to work with legislators and local officials to find transportation solutions for our state.”

**SENATE** – Lt. Governor David Dewhurst issued a statement before the special session. He said, “Just like we did during the regular session, the Senate and I are ready to immediately get back to work for the people of Texas and pass the important legislation Governor Perry has included in the call.” The Senate unanimously elected Senator Troy Fraser (R-HorseshoeBay) as President Pro Tempore of the Texas Senate for the special session and for the interim following the special session.

When the session was over, Lt. Governor Dewhurst said, “I’m proud of how quickly and efficiently the Texas Senate came together during this brief special session to pass legislation ensuring the state can issue \$2 billion in voter-approved bonds to build roads, and to keep some of our most critical agencies, including the Texas Department of Transportation and the Texas Department of Insurance, open. The Senate also addressed the issue of building toll roads through public-private partnerships, including a handful of specific projects, but determined no legislative action is necessary in this session.”

**HOUSE** – The House adopted a resolution authorizing Valerie Corte, wife of Representative Frank Corte (R-San Antonio) to serve as State Representative for District 123 in place of her husband, who is on active military duty. When the session was over, Speaker Joe Straus said, “I think we accomplished what we really needed to accomplish. . . Members of the House wanted to pass the bare necessities. They weren’t looking to delve very far into substantive policy issues.”

Below are summaries of the two bills passed during the first called session:

**SB 2** by Glenn Hegar (R-Katy) and Carl Isett (R-Lubbock) makes several changes to the **Sunset Advisory Commission’s review cycle** including:

Changing the sunset date from September 1, 2009 to September 1, 2011 for:

- The Equine Research Account Advisory Committee;
- TexasState Affordable Housing Corporation;
- Texas Department of Insurance;
- The Office of Public Insurance Counsel;
- Texas Department of Transportation; and
- The Texas Racing Commission;

Changing the sunset date from September 1, 2013 to September 1, 2011 for:

- The State Soil and Water Conservation Board;
- The On-Site Wastewater Treatment Research Council;
- The Coastal Coordination Council;
- The State Board of Examiners for Speech-Language Pathology and Audiology;
- The State Committee of Examiners in the Fitting and Dispensing of Hearing Instruments;
- Texas Commission on Environmental Quality;

- Texas Water Development Board; and
- The Railroad Commission of Texas;

Setting the sunset date at September 1, 2011 for:

- The Texas Forest Service to September 1, 2011;

Changing the sunset date from September 1, 2011 to September 1, 2013 for:

- The Texas Education Agency;
- The Texas Emancipation Juneteenth Cultural and Historical Commission;
- Texas Lottery Commission;
- The Texas Board of Criminal Justice and Texas Department of Criminal Justice;
- The Texas Health and Human Services Commission;
- The Texas Health Services Authority;
- The Department of State Health Services;
- The Department of Family and Protective Services;
- The Texas Council for Developmental Disabilities;
- The Governor's Committee on People with Disabilities;
- The Department of Assistive and Rehabilitative Services;
- The Department of Aging and Disability Services; and
- The Office of Firefighters' Pension Commissioner;

Changing the sunset date from September 1, 2015 to September 1, 2013 for:

- The Texas Council on Purchasing from People with Disabilities;

Requiring the Sunset Advisory Commission to evaluate and make a report to the 83<sup>rd</sup> (rather than the 82<sup>nd</sup>) legislature on:

- The Tax Division of the State Office of Administrative Hearings;
- The transfer of purchasing powers to the Comptroller of Public Accounts; and
- The Electric Reliability Council of Texas; and

Changing the scheduled transfer of the purchasing powers and duties from the comptroller to the Texas Facilities Commission from 2011 to 2013.

**HB 1** by Jim Pitts (R-Waxahachie) and John Carona (R-Dallas) authorizes the issuance of \$2 billion in **transportation bonds** and \$100 million in general revenue for debt service on the bonds to:

- Pay all or part of the costs of highway improvement projects including acquisition, construction, reconstruction, and major maintenance of a highway or right-of-way;
- Pay the costs of administering transportation projects;
- Pay the cost or expense of the issuance of the bonds; and
- Pay all or part of a payment owed under a credit agreement.

**Legislative Approval** - It prohibits the proceeds from the issuance and sale of bonds from being expended or used unless the proceeds have been appropriated by the legislature.

**Attorney General Approval** - It requires bonds and related credit agreements to be submitted to the attorney general for approval as to their legality. If the attorney general approves them, they must be delivered to the comptroller for registration.

**Converting Existing Roads to Toll Roads Prohibited** - It prohibits money in the State Infrastructure Bank from being used to convert a nontolled road or highway to a tolled road or highway.

To further research these bills, visit the [Texas Legislature Online](#).

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## Building Industry Ready for Sunbelt

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**October 29 – 31, 2009**

**Gaylord Texan**

**Grapevine, TX**

The Texas Association of Builders, its members and industry professionals from around the state are looking forward to the Sunbelt Builders Show™, the largest regional trade show of its kind in the southwest. This October, the building and remodeling industry will converge on Grapevine, TX to check out the latest in building products, techniques and education that will keep them on top of their game in these tough times.

Whether you've joined us before at Sunbelt or it's going to be your first time, all first time education registrants can purchase a \$99 registration that includes:

- Opening Session Speaker Roger Staubach
- Expo Party
- 3-Days of education
- 3-Day of exhibits

Why not do it all and sign up for our Pay One Price Registration which includes ALL events at Sunbelt! This Pay One Price Registration includes all of the above mentioned events, plus:

- Business After Hours Networking Reception
- HOMEPAC Bottle Auction
- Sunbelt Luncheon
- Star Awards Gala
- Texas Housing Hall of Honor Celebration &

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### The 2009 Star Awards Entries Deadline Extended

The Calls for Entries are now available for download at [www.TexasBuilders.org](http://www.TexasBuilders.org). This year we have separate Calls for Entries for the following: Custom Builder, Volume Builder, Remodeler, Developer, Green Building and Individual Achievement.

The Star Awards recognizes excellence in all areas of the home building industry. Both members of the Texas Association of Builders (TAB) and non-members may enter to win one of these prestigious awards that recognize the industry's best from the Southwest region of the United States: Texas, Arkansas, Louisiana, New Mexico and Oklahoma.

All home building, remodeling and promotional projects completed between January 1, 2008 and July 13, 2009 may be entered for consideration. The final deadline to receive entries has been extended to **5 p.m., Tuesday, July 21, 2009**. The TAB member fee is \$125 per entry; the non-member fee is \$225 per entry.

The entries will be judged by a distinguished panel of industry experts. Finalists will be notified in September, and the 2009 Star Awards Gala will be held on Friday, October 30, at the Gaylord Texan Resort in Grapevine, Texas. The awards ceremony is held in conjunction with the annual Sunbelt Builders Show™ and Education Conference ([www.SunbeltBuildersShow.com](http://www.SunbeltBuildersShow.com)).

If you have questions or need additional information after you have downloaded the entries from [www.TexasBuilders.org](http://www.TexasBuilders.org), please call TAB at (800) 252-3625.

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### HOMEPAC

Contributing to HOMEPAC just got easier! Visit the HOMEPAC page on the TAB website at [www.TexasBuilders.org/homepac](http://www.TexasBuilders.org/homepac) and make your contributions online.

Thank you for your generous past support of HOMEPAC, the Texas Association of Builders political action committee. TAB's continued legislative success at the Texas Capitol is due to your commitment as a HOMEPAC contributor. We encourage you to donate at one of the following annual levels of giving so that you, along with the other builder, developer and associate members of TAB may continue to play a crucial role in Texas politics. Whichever level you choose, your donation will have an impact.

We need *you* to make a difference!

Capitol Club - \$5,000    Diamond Key - \$3,000    Platinum Key - \$1,500  
Gold Key - \$1,000    Silver Star - \$500    Lone Star - \$250

*Thank you to our 2009 Rally Day Partners!*



Texas Panhandle Builders Association PAC

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