

Carol Alvarado

The 88th Legislative Session – Capitol Update 2023



Dear Friends and Neighbors,

Thank you for the continued honor and opportunity to serve as your State Senator for District 6. The Texas Legislature meets every two years for 140 days from January to May. During the regular session, legislators from across the state craft the state's two-year budget and review thousands of bills. The 88th Legislature adjourned its regular session on May 29, 2023 and I am pleased to provide this report on our work. This newsletter provides an overview of the 88th Regular Session, Special Sessions 1 and 2, my key legislative achievements and other important updates.

The 88th Legislative Session passed a historic state budget with a surplus of over \$30 billion. This budget will continue to fuel our economy, provide historic property tax relief and fund further investments in higher education and state parks. The legislature also passed bills that addressed the fentanyl epidemic, prioritized the creation of school safety plans and reauthorized business incentives to help foster economic growth and competitiveness.

This year, we passed crucial legislation extending Medicaid postpartum coverage, providing significant support to mothers and their newborns by granting them access to essential medical care for 12 months after childbirth. Although I am grateful for the passage of this bill, my commitment remains strong that Texas needs to completely expand Medicaid for all Texans and I will continue to advocate for that position in future legislative sessions.

Ensuring your needs are met is of utmost importance to my office. In addition to my legislative efforts, we are fully committed to resolving any issues you may encounter. Whether you require assistance with a state agency or would like to commemorate a

significant life milestone with an official state resolution and a flag flown over the Texas Capitol, both our capitol and district offices are here to support you. Do not hesitate to reach out to either office for any help or further information. Your concerns matter. We are here to serve you in every way we can.

I will continue working hard to expand access to resources that allow residents the opportunity to achieve their goals and ensure that Senate District 6 has a seat at the table in Austin.

Sincerely,

A handwritten signature in black ink that reads "Carol Alvarado".

Senator Carol Alvarado
State Senate District 6



Highlights of the 88th Legislature

ENVIRONMENTAL & NATURAL RESOURCES

Environmental and natural resources legislation was at the forefront of policy debate this session. There were historic investments in state parks, increased penalties for polluters and progress towards ensuring more public participation at concrete batch plant hearings.

SB 1397 reauthorized the Texas Commission on Environmental Quality for 12 years while making improvements to the agency to ensure more transparency and public participation. Senator Alvarado added an amendment to this bill that ensures Texans are given more time to submit contested case hearing requests for proposed concrete batch plant permits. Senator Alvarado also advocated for a TCEQ rule change to give Texans additional opportunity to contest concrete batch plant permits. This rule change will become effective in fall 2023. **SB 1648** and **SJR 74** created the Centennial Parks Conservation Fund, investing \$1 billion dedicated to the creation of new state parks if voters approve this November. **SB 2127**, **SB 1017** and **SB 784** prohibit cities from enacting ordinances that attempt to regulate environmental issues, gas-powered equipment and greenhouse gasses. **SB 28** created the New Water Supply for Texas Fund to help develop water supply projects that create new water sources for the state. **HB 1500** reauthorized the Public Utility Commission of Texas, the agency charged with overseeing the Texas electricity market, until 2029. **SB 2627** created a fund to encourage the construction, maintenance and operation of natural gas and power plants in Texas. Renewable energy facilities, such as solar and wind plants, are not eligible to receive money from this fund.



Senator Alvarado discusses her legislative priorities with Aldine constituents at the Capitol. Also pictured is Rep. Armando Walle.

EDUCATION

The legislature was busy shaping the future of education with several newly established bills that both expanded funding and set new standards for schools. These bills encompass areas such as junior college state finance, university research, early college high school programs, school safety measures, fentanyl abuse prevention education, dropout recovery programs and public-private partnerships for pre-K programs.

HB 8 establishes the public junior college state finance program, which allocates base state funding and increases local funding based on performance. **HB 1595** establishes the Texas University Fund to provide funding to the University of Houston, Texas Tech University, Texas State University and University of North Texas to increase research efforts at these institutions. This historic investment in universities like UH will ensure that Texas remains one of the top educational powerhouses in the world. Voters must give final approval for this new fund. The election for this important investment in higher education will take place on November 7, 2023. **SB 1887** requires students enrolled in early college high school programs to enroll in an associate degree program with an embedded field of study to ensure that students complete a degree that is applicable to the workforce or that will count towards a bachelor's degree.

HB 3 establishes a school safety plan that requires armed guards to be present on all public school campuses and district employees to complete mental health first aid training. Additionally, the bill allocates \$10 of funding per student plus \$15,000 per campus for the implementation of these school safety measures. **HB 3908** requires public schools to provide research-based instruction on fentanyl abuse prevention and drug poisoning awareness to students in grades six through twelve. **SB 2139** establishes the Opportunity High School Diploma program for drop-out students to earn a high school diploma at a public junior college while enrolled in a workforce program. **HB 900** requires book vendors working with public school libraries to assign ratings to books based on the presence of sexually explicit references or depictions. **HB 1615** authorizes the Texas Workforce Commission to administer a program for private childcare providers to partner with public school districts and charter schools to offer free pre-K.



Sen. Alvarado with the families of those killed at the Uvalde school massacre, advocating for responsible gun reforms like raising the age to buy assault weapons to 21. Also pictured are Senators Roland Gutierrez & Royce West.

ECONOMIC DEVELOPMENT & WORKFORCE

HB 5 creates the Texas Jobs, Energy, Technology and Innovation Act to provide temporary and limited incentives for certain eligible projects and foster Texas economic growth and competitiveness. The incentive program consists of reductions of taxable value for school district maintenance and operations taxes along with guidelines on mandatory employee compensation and benefits, abatement payback timeframes and penalties for non-compliance for incentive recipients. Senator Alvarado and Senate Democrats were successful in amending HB 5 to include important provisions ensuring all Texans benefit from this economic development incentive program. These amendments include giving preferential treatment to projects developed in "opportunity zones," increasing minimum wage and health insurance requirements for workers and removing discriminatory provisions on economic, social and governance policies. **HB 3447** creates the Texas Space Commission to promote economic development in space, aeronautics and aviation in Texas. **HB 5174** creates the Texas Semiconductor Innovation Consortium as a part of the federal CHIPS Act aimed at increasing semiconductor research, design, commercialization and manufacturing in Texas. **HB 4246** removes the limit on funds from nonprofit corporations that can be used for economic development.

Senator Alvarado passed **HB 1755** to create the Lone Star Workforce Future Fund to provide skills training and education to close the current skills gap for workers in middle-skill occupations with high demand in Texas. **SB 1887** requires students enrolled in early college high school programs to enroll in an associate degree program with an embedded field of study to ensure that students complete a degree applicable to the workforce or that will count towards a bachelor's degree. **HB 4363** establishes the Future Texas Teachers Scholarship Program that focuses on high-quality educator preparation and university-based programming to recruit, prepare and retain a diverse workforce of career teachers.



Sen. Alvarado with Ms. Opal Lee during her portrait unveiling in the Texas Senate. Ms. Lee is known as "the Grandmother of Juneteenth" for her efforts to make Juneteenth a national holiday.

PUBLIC EMPLOYEES & RETIRED TEACHERS

With a surplus in the state budget, legislators focused on enhancing all three retirement plans administered by the Employee Retirement System (ERS) and appropriated additional funds for all ERS employees. Adjustments were made to the Teacher Retirement System (TRS) as well. **HB 1** maintains a 100% state contribution for insurance for eligible full-time employees

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and retirees and maintains the state contribution rates of 9.5% for retirement plans. **HB 1393** gives eligible ERS members the option to select an annuity that is reduced at the beginning of their retirement but gradually increases over time. **HB 916** requires Texas Employees Group Benefits Program health plans to cover a 12-month supply of contraceptive drugs. **HB 222** establishes paid parental leave for state employees in which employees are entitled to 30 days of paid leave following the birth of a child and 10 days of paid leave following the adoption of a child, birth of a child via gestational surrogate or birth of a child by the employee's spouse. **SB 729** allows members in the ERS Retirement Group 4 to establish or purchase previously withdrawn service credit to use toward retirement eligibility.

SB 10 establishes certain payments and makes a one-time cost-of-living adjustment for retired teachers. **SB 1854** requires the TRS to establish a contract for vision and dental that may be used by TRS-Care retirees who opt-in.



Sen. Alvarado discussing legislation with Sen. John Whitmire, the Dean of the Texas Senate.

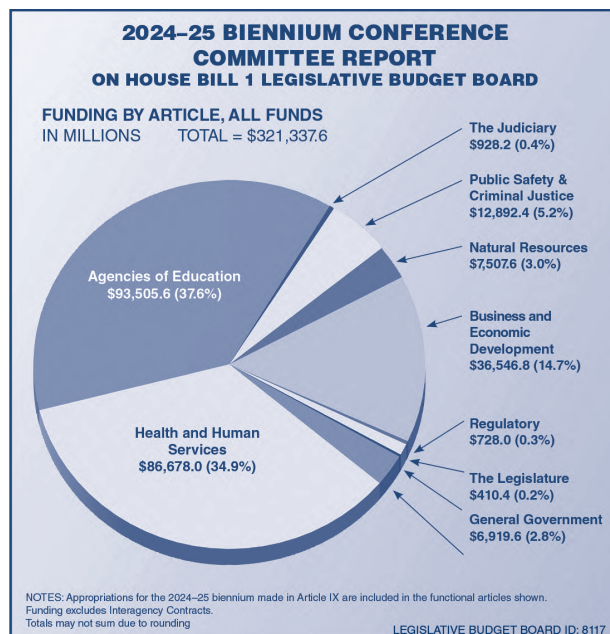
PROPERTY TAXES

Property tax relief was our top priority this session. Although it took two special sessions to get done, Senator Alvarado is proud to have worked with her colleagues in the Senate and the House to pass meaningful property tax relief for all Texans.

SB 2 is the largest property tax cut in Texas history, saving Texans a total of \$18 billion. The average homeowner will save about \$1,300 every year. One of the key parts of this law is that it raises the homestead exemption to \$100,000. This means that if you own a home, you will not have to pay taxes on the first \$100,000 of its value. So, if your home is worth \$150,000, you'll only pay taxes on \$50,000 of it. The law also lowers the amount of tax that schools can charge on properties by 10.7 cents for every \$100 of a property's value. This applies to both homes and businesses. So, if a school district currently charges \$1.1357 for every \$100 of a property's value, they'll now only be able to charge \$1.0287. Lastly, the law introduces a new system that limits how much the value of certain properties can go up each year. This applies to any properties that are not primary residences and appraised at \$5 million or less. The value of these properties can only go up by 20% each year. Despite these changes, schools will not lose money and will even gain an additional \$642 million for debt relief. Voters must give final approval for these tax cuts to take effect. The election for this historic property tax relief will take place on November 7, 2023.

TRANSPORTATION & INFRASTRUCTURE

HB 718 prohibits car dealers from issuing temporary paper tags during the purchase of a vehicle. Dealers must now issue metal license plates to combat the use of fraudulent paper plates. **HB 2230** extends the sunset date of Proposition 1, which sends half of the oil and natural gas production taxes to the State Highway Fund. **SB 505** imposes an additional registration fee of \$200 for an electric vehicle requiring an annual inspection. The additional fee compensates for the lost fuel tax revenue due to the increased number of electric vehicles. **SCR 2** extends Proposition 7 by 10 years to the year 2042, which allocates \$2.5 billion of the net revenue from the state sales tax to the State Highway Fund. Additionally, 35% of the state motor vehicle sales tax will be directed to the State Highway Fund. **HB 3297** removes the requirement for Texans to get their vehicle safety inspections. This change will go into effect in 2025. However, vehicles in Harris County will still need to get their vehicles tested for emissions annually as required by federal law.



BUDGET

HB 1, the state's two-year budget for 2024-2025, includes a historic surplus of \$32.7 billion and provides funding for all areas of state government. The budget invests a total of \$321 billion in All Funds, including \$114 billion in General Revenue over the 2024-2025 biennium. **HB 1** maintains the state's commitment to public education, health and human services and the economy with significant investments in higher education, clean air and property tax relief including a historic \$18 billion to reduce property taxes.

The budget provides significant investments in education with more than \$50.4 billion for Texas public schools and a total of \$21.6 billion for higher education. Specifically, the budget allocates \$3.2 billion to support public school enrollment growth and \$1.4 billion for school safety measures, including grants to districts, charter schools and new statewide initiatives. It also has a \$3.4 million cost-of-living adjustment for retired teachers and an investment of \$588.5 million to maintain current health insurance premiums and benefits for retired teachers through TRS-Care. For higher education, the budget provides an additional \$3 billion to establish the Texas University Fund, which is a new endowment for the University of Houston, Texas State University, the University of North Texas and Texas Tech University.

HB 1 also invests more than \$42 billion in health and human services. This is an increase of \$3.8 billion, or 9.9%, over funding in the 2022-2023 budget. This includes a historic high of over \$447.1 million for women's health programs and an increase of \$160.1 million over the previous budget. **HB 1** provides more than \$11 billion for mental health services like mental health community and state hospitals. The bill also invests \$80.8 billion for Medicaid, including \$206.8 million to increase rates for pediatric services, women's health-related surgeries, private duty nursing and ground ambulances. The budget allocates an additional \$7 million for the Texas Commission on Environmental Quality. The money will be used to expand pollution reduction programs that will target particulate matter issues, which will help communities impacted by concrete batch plants.

Lastly, the budget provides over \$50 million in funding to support **SB 224**, the Deputy Darren Almendarez Act. Senator Alvarado passed **SB 224** to fight catalytic converter theft. It also includes \$20.2 million for the Texas Music Incubator Program, a fund that Senator Alvarado created last session to support Texas music venues.



Senator Alvarado standing with the 2022 World Series Trophy and Astros Jason Castro and Ryan Pressly.

Highlights of the 88th Legislature

CONSTITUTIONAL AMENDMENTS

Below are the fourteen proposed constitutional amendments.
This year the election date is on November 7, 2023.

Proposition 1 (HJR 126)

“The constitutional amendment protecting the right to engage in farming, ranching, timber production, horticulture, and wildlife management.”

Proposition 2 (SJR 64)

“The constitutional amendment authorizing a local option exemption from ad valorem taxation by a county or municipality of all or part of the appraised value of real property used to operate a child-care facility.”

Proposition 3 (HJR 132)

“The constitutional amendment prohibiting the imposition of an individual wealth or net worth tax, including a tax on the difference between the assets and liabilities of an individual or family.”

Proposition 4 (HJR 2, Second Special Session)

“The constitutional amendment to authorize the legislature to establish a temporary limit on the maximum appraised value of real property other than a residence homestead for ad valorem tax purposes; to increase the amount of the exemption from ad valorem taxation by a school district applicable to residence homesteads from \$40,000 to \$100,000; to adjust the amount of the limitation on school district ad valorem taxes imposed on the residence homesteads of the elderly or disabled to reflect increases in certain exemption amounts; to except certain appropriations to pay for ad valorem tax relief from the constitutional limitation on the rate of growth of appropriations; and to authorize the legislature to provide for a four-year term of office for a member of the board of directors of certain appraisal districts.”

Proposition 5 (HJR 3)

“The constitutional amendment relating to the Texas University Fund, which provides funding to certain institutions of higher education to achieve national prominence as major research universities and drive the state economy.”

Proposition 6 (SJR 75)

“The constitutional amendment creating the Texas water fund to assist in financing water projects in this state.”

Proposition 7 (SJR 93)

“The constitutional amendment providing for the creation of the Texas energy fund to support the construction, maintenance, modernization, and operation of electric generating facilities.”

Proposition 8 (HJR 125)

“The constitutional amendment creating the broadband infrastructure fund to expand high-speed broadband access and assist in the financing of connectivity projects.”

Proposition 9 (HJR 2, Regular Session)

“The constitutional amendment authorizing the 88th Legislature to provide a cost-of-living adjustment to certain annuitants of the Teacher Retirement System of Texas.”

Proposition 10 (SJR 87)

“The constitutional amendment to authorize the legislature to exempt from ad valorem taxation equipment or inventory held by a manufacturer of medical or biomedical products to protect the Texas healthcare network and strengthen our medical supply chain.”

Proposition 11 (SJR 32)

“The constitutional amendment authorizing the legislature to permit conservation and reclamation districts in El Paso County to issue bonds supported by ad valorem taxes to fund the development and maintenance of parks and recreational facilities.”

Proposition 12 (HJR 134)

“The constitutional amendment providing for the abolition of the office of county treasurer in Galveston County.”

Proposition 13 (HJR 107)

“The constitutional amendment to increase the mandatory age of retirement for state justices and judges.”

Proposition 14 (SJR 74)

“The constitutional amendment providing for the creation of the centennial parks conservation fund to be used for the creation and improvement of state parks.”

ALL HOUSE BILLS AND SENATE BILLS

FILED

Total	8046
Senate Bills	2631
House Bills	5413

PASSED

Total	1246
Senate Bills	502
House Bills	744

VETOED

Total	76
Senate Bills	54
House Bills	22

Senator Alvarado passed 38 bills total this session; three were vetoed.



Senator Alvarado with Texas firefighters.



In 2022, Senator Alvarado, alongside Specialist Vanessa Guillén's family, proudly unveiled the Vanessa Guillén Memorial Highway sign. This session, Senator Alvarado passed a bill designating September 30th, Vanessa's birthday, as Vanessa Guillén Day in Texas. Also pictured is Rep. Christina Morales.

Committee Assignments and Legislative Achievements

MY COMMITTEE ASSIGNMENTS

The Lieutenant Governor assigns committee roles based on many factors, including how long a senator has served, their knowledge and skills and what issues are important in their district. For this term, Senator Alvarado was reappointed to the Transportation and Nominations Senate Committees; she has served on both committees for three terms. Senator Alvarado was also appointed to the Administration and the Natural Resources and Economic Development Senate Committees as well as the Special Committee on Redistricting for a second term.

Each committee focuses on different topics. The Transportation Committee handles bills about statewide and local transportation laws. The Administration Committee decides when local and uncontested bills will be scheduled for a floor vote. The Natural Resources and Economic Development Committee handles a wide range of issues including oil and gas, the environment, affordable housing, workforce development and tax incentives to help our local communities and economies. The Nominations Committee gives approval for the governor's appointments to important state offices. The Senate Special Committee on Redistricting meets when it is time to redraw the state's maps for the legislative, congressional and the State Board of Education districts.



Senator Alvarado lays out a bill in the Senate Business and Commerce committee.

cases for Texas judges. This additional training will equip judges with crucial resources and knowledge, enabling them to better support and assist victims when they require courtroom testimony or engage with the legal system.

SB 1965 introduces an important change requiring the Public Utility Commission to implement a streamlined process for the quick sale, transfer or merger of utilities. A direct response to an incident that occurred in Senate District 6, this bill provides communities with the peace of mind that their essential water services are no longer at risk. It ensures a smoother transition between owners, guarantees access to vital utilities and safeguards the well-being of affected communities.



Senator Alvarado with Houston rap legend Bun B as an invited guest to the Senate.

MY LEGISLATIVE ACHIEVEMENTS

SB 224, the Deputy Darren Almendarez Act, is aimed at deterring catalytic converter theft, a problem that has plagued Houston and Texas in recent years. It presumes illegal possession for those holding two or more catalytic converters, directly includes catalytic converter theft in the Penal Code and introduces penalty enhancements for theft committed with a firearm. The bill gives prosecutors greater flexibility to aggregate thefts and combat crime rings, escalating the felony degree based on the cumulative value of stolen converters. It also closes the business-to-business reporting loophole that will require accurate tracking for all catalytic converter transactions in Texas.

HB 1755 creates the Lonestar Workforce of the Future Fund. This fund will help offer training and education for middle-skill occupations in high-demand industries, aiming to bridge the skills gap in Texas's workforce. With a goal of fostering employment opportunities for the unemployed or underemployed, filling businesses' need for trained candidates, enhancing competitiveness and strengthening the Texas economy, this bill is a big step in ensuring Texas has a strong workforce for the future.

SB 252 enables certain Lawful Permanent Residents, who have received an honorable discharge from the United States Armed Forces, to serve as Texas peace officers under specific conditions, aiding law enforcement agencies in recruiting skilled personnel and addressing officer shortages throughout the state.

HB 1759 allows sports fans to purchase professional sports charity raffle tickets from a mobile device when cheering on their favorite teams at their home stadium or arena. Astros fans will now be able to conveniently support both the 'Stros and the Astros Foundation without having to miss any of the action!

HB 2170 requires that a toll authority must promptly notify customers of any payment issue to allow sufficient time for customers to make necessary arrangements and rectify the situation before fines are assessed, ensuring a fair and transparent process while also fostering proactive resolution of payment discrepancies. This crucial measure aims to prioritize customer service, prevent unwarranted fines and uphold the principles of accountability and efficiency within the toll system.

HB 2248 designates September 30th as Vanessa Guillén Day in Texas.

SB 855 increases judicial training on domestic and family violence



Sen. Alvarado with the Almendarez family & State Rep. Armando Walle, honoring the life of Deputy Darren Almendarez on April 3, 2023. Later that day, Sen. Alvarado passed SB 224 (the Deputy Darren Almendarez Act) to combat dangerous catalytic converter thefts.



Sen. Alvarado with her floor guest, actress Jennifer Garner. Ms. Garner was honored for her years-long advocacy on behalf of Save the Children, a nonprofit dedicated to protecting the right of children to grow up healthy, educated and safe.

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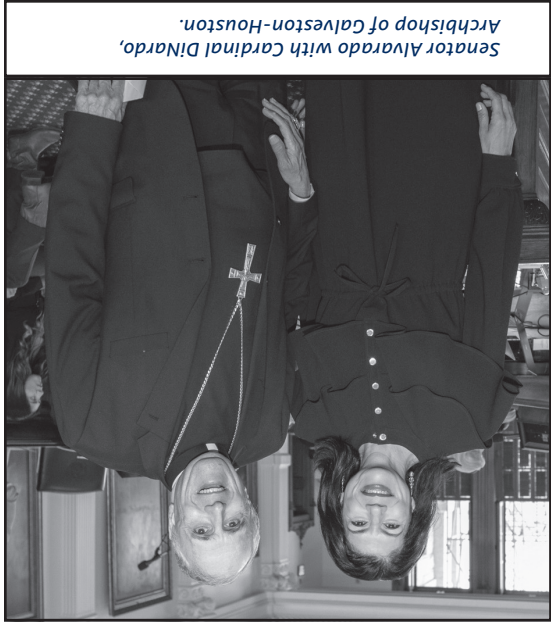
ABOUT CAROL ALVARADO

Senator Carol Alvarado is proud to serve Texas Senate District 6 in Harris County and was first elected in a 2018 Special Election. Now in her third term serving in the Texas Senate, Carol is a member of the Senate Committees on Administration, Natural Resources and Economic Development, Nominations, Transportation and the Special Committee on Redistricting. Carol also serves as the Chair of the Texas Senate Democratic Caucus.

Carol's primary legislative focus has been on economic development, public health and public education. She has championed legislation aimed at strengthening our state's workforce, helping small businesses succeed, creating tools to recruit businesses to relocate to Texas, regulating the use of e-cigarettes for children and criminal justice reform.

Carol is an advocate for women's health and reproductive rights and has passed legislation to assist victims of sexual abuse. As a staunch defender of voting rights, she took a strong stand in 2021 against discriminatory voting laws by filibustering a voter suppression bill for over 15 hours. Her dedicated efforts contribute to ensuring everyone has fair and equal access to the ballot.

Prior to the Texas Senate, Carol was elected to the Texas House of Representatives in 2008 and served five terms representing District 145. She served as the Chair of the Urban Affairs Committee and Co-Chair of the Select Committee on Transparency in State Agency Operations. As a member of the Houston City Council from 2002-2008, Carol led the effort to make restaurants smoke free, stopped the shipping of more hazardous chemicals through our neighborhoods and had air quality monitors installed in neighborhoods near chemical plants. Carol is a native Houstonian and longtime resident of Houston's East End. She holds a Master of Business Administration and a Bachelor of Arts degree in Political Science from the University of Houston and is a member of St. Alphonsus Catholic Church.



Senator Alvarado with Cardinal Dinardo, Archbishop of Galveston-Houston.