



## **Senator Birdwell's 'Capitol Update'** **4-27-15**

NOTE: Late Sunday night and early Monday morning, an array of dangerous weather passed through north central Texas. Severe thunderstorms, associated flash-flooding, large hail and a series of tornadoes touched a number of Texas counties, including half of the counties in Senate District 22. Johnson County and the community of Rio Vista were among the hardest hit, incurring personal, commercial and agricultural damage. Thankfully (and unlike the tornadoes that hit SD-22 in 2013), no fatalities and very few injuries have been reported. I have been in communication with law enforcement and community leaders for the affected counties—in particular, Johnson County—and ask you to keep these communities in your thoughts and prayers.

**Greetings from your Texas Capitol! Between the budget, public education, border security and a discussion of veteran benefits, there is much to cover this week.**

### **Senate Passes Budget, Heads to Conference**

The Senate recently passed House Bill 1, the General Appropriations Act that we more commonly refer to as the state budget. When the Texas Legislature gathers for session each biennium, it is our constitutional duty to pass a state budget funding the core functions of state government for the next two years. Every session, the House and Senate alternate which chamber will start the budget-crafting process. This session, the House had that responsibility and thus authored HB 1, which was passed and then sent to the Senate. After amending the budget to meet the concerns of the Senate, we passed HB 1 and will now finalize the bill in conference committee—a group of five senators and five representatives tasked with resolving the differences in the House and Senate versions of the budget. That final version will be sent back to each chamber for final passage.

Below I have highlighted some of the key points of House Bill 1 (as altered and passed by the Senate). I'm proud to have voted for this budget, which, among other things, offers tax relief to our citizens, supports public education and addresses our growing transportation needs.

- **TAX RELIEF:** \$4.5 billion in tax relief via the franchise (business) tax and property taxes (state dollars ensure no loss to school districts)
- **TRANSPORTATION:** Ends more than \$1.3 billion in highway diversions; funds \$2.4 billion for new public roads (assuming passage of Prop 1 [SB 5/SJR 5] in November)
- **PUBLIC EDUCATION:** Fully funds enrollment growth and increases per-student allotments to \$5,140 (up from \$5,040); adds \$60 million in math and reading training for K-3 teachers; adds \$25 million for career counseling of middle school students
- **BORDER SECURITY:** Allocates \$811 million for border security, more than double the appropriation for the current biennium (read more below)
- **HEALTHCARE:** Fully funds Medicaid caseload and cost growth; appropriates \$2.8 billion for mental health programs, including \$20 million for the Texas Veterans Initiative, \$50 million for women's health programs, \$12 million for jail and emergency room diversions, \$31 million for crisis mental health, \$50 million for additional psychiatric facility beds, and \$14.5 million to prevent waiting lists through the 2016-17 biennium

Though these numbers may still change, it is the goal of the Senate's HB 1 "conferees" to keep the final budget as close to the Senate-passed version as possible. The Senate's budget increases state spending by just 4.6% from the current biennium, and when tax relief is subtracted, that increase is only 3.8%. This conservative budget is \$1.3 billion below the state spending limit and all other constitutional limits.

### **Border Security Bill Succeeds with Bipartisan Support**

The Senate recently passed my Senate Bill 3 by a vote of 26-4, moving our state one step closer to our goal of securing the Texas-Mexico border and drastically reducing crimes associated with illegal border crossings. At the time of passage, I released following statement on the measure:

*"In the absence of the federal government's constitutionally-mandated duty, the state of Texas has shouldered the burden of stopping human trafficking, illegal drug and weapon smuggling, and an influx of dangerous*

*criminals and potential terrorists. I'm extremely proud of the bipartisan support for Senate Bill 3, which will help the Department of Public Safety sustain and appropriately expand their successful efforts to tackle these problems statewide."*

Many Texans agree that the issue of border security—and associated statewide criminal activity—is the number one issue facing our state. In an effort to address this issue head on, Senate Bill 3 takes the following actions (with full funding from the state budget passed by the Senate on April 14):

- Reinforces the crucial role of the National Guard in securing the border until DPS resources permanently relieve the Guard
- Immediately allows DPS to implement southbound checkpoints
- Provides funding for a statewide ten-hour workday for the DPS
- Reorganizes the 'Transnational and Organized Crime Division' of the Office of the Attorney General to assist with border prosecutions, enhancing its focus on human trafficking and other transnational crimes
- Creates a multi-agency training facility in the Rio Grande Valley which will serve local, state and federal law enforcement authorities
- Creates a new multiagency crime information center in the Rio Grande Valley that will be operated by local law enforcement and DPS called the Texas Transnational Intelligence Center
- More appropriately defines select transnational crimes and enhances associated criminal penalties
- Ensures uniformity and transparency of crime data between law enforcement agencies through the adoption of the National Incident Based Reporting System (NIBRS) for certain law enforcement agencies.
- Creates a DPS Officer Reserve Corps comprised of retired DPS officers who will assist with background investigations, sex offender compliance checks and other duties.



It was great to have Rachel Woods, Vice President of Legislation for the Texas Federation of Republican Women, visit the Texas Senate on Texas Federation of Republican Women Day at the Capitol, when hundreds of Republican women from across the state came to visit with their legislators.



Lt. Governor Patrick stepped off the Senate dais momentarily Wednesday to visit with leaders from the TSTC System. Pictured here are (L-R) the Lieutenant Governor; Chairman of the Board of Regents, Ellis Skinner; System Chancellor, Mike Reeser; System Vice-chancellor, Dr. Elton Stuckly; and myself.

### **Tax Credit Scholarship Legislation**

The Senate recently passed Senate Bill 4, which will create a network of non-profit education assistance organizations to which private businesses can contribute and receive a tax credit in return. Families who desire a choice in their children's education can apply to these organizations to receive a scholarship to attend the private school of their choice. Important checks have been put in place to control this program. First, students must meet certain eligibility requirements such as family income levels, placement in a foster care program, special educational needs, or disability. The size of the program has been capped at \$100 million, and students must be currently enrolled in a public school to be eligible. Without question, parents are the greatest source of accountability in their children's education. Demanding accountability from our schools is just as important, and thus, Senate Bill 4 requires that any school receiving funds from a taxpayer scholarship be accredited and use a nationally-recognized assessment to ensure student progress. As evidenced above in discussion of the state budget, and combined with legislation to improve teacher development and compensation, the Texas Senate is clearly committed to providing a high-quality education to all Texas children.

### **Needed Changes Coming to Hazelwood Program**

My team and I have recently received many questions about Senate Bill 1735. As such, I want to share some information about the legislation with you here in the Capitol Update. Since 1923, the State of Texas has offered the Hazelwood exemption of tuition and fees at public institutions of higher education to our honored veterans (up to 150 semester credit hours for veterans that were Texas residents at the time they entered the service, served a minimum of 180 days active duty, and were honorably discharged). In 2009, the Legislature

made it possible for these same veterans to pass any of their unused hours to a dependent age 25 or younger—this is referred to as the "Legacy" provision.

Since this change, the amount of tuition exempted by colleges and universities in Texas has ballooned from approximately \$25 million in 2009 to \$169 million in 2014. This represents an increase of 584% in just six years. In the first year of implementation (2010), less than 4% percent of Hazlewood recipients were legacies. By 2014, that number had grown to nearly 51%, meaning more Legacies are receiving the benefit than actual veterans. If unchanged, tuition and fees waived by institutions through the Hazlewood exemption are expected to grow to \$379 million by 2019. Statistics show that the majority of the increase is projected to occur through Legacy students. On this path, the Hazlewood program is quickly becoming unsustainable to such a point that its benefits will be too costly to provide even to the veteran—not just his or her dependent.

Additionally, a U.S. District Judge recently ruled in favor of a University of Houston law student who sued the state, arguing that the residency requirement of Hazlewood violates the Equal Protection Clause of the 14th Amendment and the fundamental right to travel protected by the U.S. Constitution. Should the state lose its appeal to this ruling, Hazlewood eligibility would be expanded to any veteran from any state—without prior Texas residency—and by extension, their dependents.

Senate Bill 1735 aims to ensure that we can continue to offer the Hazlewood exemption to our deserving veterans in perpetuity, and would seek to reform the program in two key ways. First, the residency requirement would be amended to include any veteran who has established and maintained residency in Texas for eight years, while continuing to include veterans who entered the service in Texas.

Second, because the Legacy provision is the primary reason for the growing cost of the Hazlewood exemption, reforming it will ensure that Texas can continue to honor the veterans who have earned this benefit—including those who would pass the benefit along to a dependent—in a financially sustainable manner. Senate Bill 1735 would require six years of service for a veteran to be eligible to pass hours along to their children, and implement a 15-year time limit on use of the exemption from the veteran's end of time in service. Both of these requirements mirror restrictions placed on the use of the federal GI Bill. To mirror the academic standards of the TEXAS Grant program, Legacy recipients would be required to maintain a 2.5 GPA and complete 24 credit hours per academic year. Additionally, Senate Bill 1735 would reduce the number of hours a veteran may pass to their children from 120 to 60, limit the use of the Hazlewood exemption to undergraduate programs for legacies, and require veterans and legacies to submit a Free Application for Federal Student Aid (FAFSA) to ensure that all available student aid is being utilized.

To ensure that these reforms are implemented fairly, a grandfathering period has been included in the bill. Anyone who is currently receiving Hazlewood benefits, or begins receiving them by the fall 2015 semester, will continue to receive the exemption just as the law currently exists. Additionally, any student receiving Hazlewood benefits as the spouse or dependent of a service member who was killed in action, missing in action, or 100% disabled due to a service-related injury will continue to receive Hazlewood benefits as they currently exist.

I know the sacrifices that our veterans make for the sake of our nation, and thus I will do everything within my power to ensure that Texas is able to continue to honor her veterans through the Hazlewood program. In order to do this, some difficult decisions must be made. It is easy in the short term to focus only on the immediate needs of our veterans and their dependents; however, it would be tragically shortsighted to ignore the simple facts that foretell the long-term unsustainability of this program. Because the Legacy provision is the primary cost-driver of the skyrocketing cost, its reform will ensure that Texas can continue to honor the veterans who have earned this benefit, *and* their families.

**Friends, that wraps up this edition of the Capitol Update.** While it was notably longer than my standard newsletter, I hope I adequately addressed these issues that impact so many Texans. As always, I welcome you to share this newsletter with your friends, family and colleagues in Senate District 22. Additionally, they can subscribe to the Update here:

<http://www.senate.state.tx.us/75r/Senate/members/dist22/Signup.htm>.

As always, I hope you will take advantage of the opportunity to keep up with the happenings at your Texas Capitol. Please visit my official website at [www.senate.state.tx.us](http://www.senate.state.tx.us), follow us on [Facebook](#)/[Twitter](#), and for all other needs, please visit the Texas Legislature Online at [www.capitol.state.tx.us](http://www.capitol.state.tx.us).

Sincerely,



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