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HOUSE RESEARCH ORGANIZATION

daily floor report

Tuesday, April 22, 2025
89th Legislature, Number 47
The House convenes at 11 a.m.
Part Two

One bill is on the Major State Calendar, one resolution is on the Constitutional Amendments Calendar, and 44 bills are on the General State Calendar for second reading consideration. The list of bills in Part Two of the *Daily Floor Report* appears on the following page.



Gary VanDeaver
Chairman
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HOUSE RESEARCH ORGANIZATION

Daily Floor Report

Tuesday, April 22, 2025

89th Legislature, Number 47

Part 2

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SUBJECT: Establishing dissolution procedures for the Cedar Creek Hospital District

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

VOTE: 11 ayes — C. Bell, Zwiener, Cole, Cortez, Garcia Hernandez, Leo Wilson, Lowe, Luther, Rosenthal, Spiller, Tepper

0 nays

WITNESSES: For — (*Registered, but did not testify*: Robin Foster, Harris County Deputies' Organization FOP #39)

Against — None

DIGEST: HB 467 would establish a procedure to dissolve the Cedar Creek Hospital District, located in Kaufman, Van Zandt, and Henderson counties, and transfer district funds to establish and administer the Andrew Gibbs Memorial Nursing Scholarship. The bill would authorize the county judges of these counties to jointly order an election on the question of dissolving the district and transferring district funds if:

- the district was not providing or paying for the provision of medical or hospital care;
- all positions on the board of directors of the district were vacant;
- the district had no outstanding indebtedness; and
- the only remaining asset of the district was money.

The bill would exempt the election from Election Code provisions on uniform election dates and require specific ballot language. District residents would be asked to vote for or against "The dissolution of the Cedar Creek Hospital District and the use of district money to establish and administer the Andrew Gibbs Memorial Nursing Scholarship." If the majority of votes did not favor the proposition, the bill would prevent the county judges from taking further action.

If a majority of votes favored the proposition, the bill would require the county judges to find that the district was dissolved and transfer the

district's remaining funds in equal shares to each county to establish and administer the nursing scholarship. The commissioner's courts of the counties would be required to enter orders dissolving the district no later than 10 days after the dissolution and transfer of funds.

HB 467 would require these counties to jointly establish an oversight committee to administer the scholarship. The bill would require that an individual receiving a scholarship award be a resident within the boundaries of the former district who was enrolled in or accepted for admission to an in-state nursing education program. The committee could establish other eligibility criteria and procedures for the application and selection process.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 467 would allow currently inaccessible funds to be used for their intended purpose by providing a way to dissolve the Cedar Creek Hospital District and use the remaining funds for a nursing scholarship with voter approval. District funds were raised by the district's benefactor with the intent of supporting students in the district who were pursuing a medical education. However, the funds went unused, and the district has since become defunct, with all board members either having resigned or passed away. As a result, there is no individual authorized to dissolve the district or access its bank account. If voters approve the proposition, the funds could be used for their intended purpose of supporting the education of nursing students in the district.

**CRITICS
SAY:**

No concerns identified.

- `SUBJECT: Limiting liability for injuries from cavern activities
- COMMITTEE: Judiciary & Civil Jurisprudence — committee substitute recommended
- VOTE: 11 ayes — Leach, Johnson, Dutton, Dyson, Flores, J. González, Hayes,
LaHood, Landgraf, Moody, Schofield
- 0 nays
- WITNESSES: For – Winter Prosapio, Natural Bridge Caverns (*Registered, but did not
testify*); Ron Hinkle, Texas Travel Alliance; Richard Bohnert)
- Against – None
- DIGEST: CSHB 1130 would require a cavern entity to post and maintain a warning
sign with language specified in the bill in a clearly visible location at each
entrance to a cavern at a cavern area. The bill would define “cavern
entity” as a person who owned or operated a commercial cavern area open
for educational or recreational purposes.
- The bill would limit the liability of a cavern entity for injuries sustained
by participants in educational or recreational activities if this warning was
posted at the time of the injury.
- Limited liability would not apply to an injury:
- proximately caused by the cavern entity’s negligence with regard to
the safety of the cavern area or cavern activity participant;
 - proximately caused by a potentially dangerous condition at the
cavern area, of which the cavern entity knew or reasonably should
have known;
 - proximately caused by the cavern entity’s failure to train or
improper training of an employee of the cavern entity actively
involved in the cavern area or a cavern activity; or
 - intentionally caused by the cavern entity.

The bill would take effect immediately if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025. The bill would apply only to causes of action accruing on or after the effective date.

**SUPPORTERS
SAY:**

By limiting liability for certain injuries at cavern areas, CSHB 1130 would help protect small businesses that operate show caves from frivolous lawsuits that can be costly and time-consuming. Even when the cavern entity was not at fault, insurance companies have often opted to settle claims rather than fight them, which increases operating costs and undermines the legal system meant to address genuine negligence.

Many show caves are small, family-run operations that provide educational and recreational experiences while maintaining safe access to natural features. The bill would reduce legal and insurance costs while maintaining accountability for actual negligence and unsafe conditions.

**CRITICS
SAY:**

No concerns identified.

- SUBJECT:** Establishing the Electric Truck Advisory Council
- COMMITTEE:** State Affairs — committee substitute recommended
- VOTE:** 11 ayes — King, Hernandez, Darby, Y. Davis, Geren, Guillen, Metcalf, Phelan, Raymond, Thompson, Turner
- 0 nays
- 4 absent — Anchía, Hull, McQueeney, Smithee
- WITNESSES:** For — Phillip Martin, Environmental Defense Fund (*Registered, but did not testify*: Enrique Marquez, Americans for Affordable Clean Energy; Gerard Torres, CenterPoint Energy; Joshua Sanders, City of Houston; Luke Metzger, Environment Texas; Cyrus Reed, Lone Star Chapter Sierra Club; Adrian Shelley, Public Citizen; Matthew Boms, Texas Advanced Energy Business Alliance; Clay Pope, Texas EV Alliance; Desiree Castro, Texas Food & Fuel Association)
- Against — (*Registered, but did not testify*: Yvette Llorance, Harris County Republican Party Precinct Chair; Susanne Rothschild, Harris County Republican Party; Jasmine Brennan, Harris County Republican Party - Precinct 223 Chair; John Bishop; Henry Bohnert; Tom Nobis)
- On — (*Registered, but did not testify*: Nate Hickman, Texas Commission on Environmental Quality; Caroline Mays, Texas Department of Transportation)
- DIGEST:** CSHB 1848 would establish the Electric Truck Advisory Council administratively attached to the Texas Department of Transportation (TxDOT) and funded using existing TxDOT funds. The bill would require the council to develop a strategic plan for the statewide implementation of electric truck charging infrastructure. The plan would have to:
- identify strategic locations for electric truck charging infrastructure and the requirements for their development and construction,

including high-capacity power sources, freight routes, and the ability to construct operation hubs;

- specify each agency subject to the plan; and
- make recommendations for each agency relating to its role and responsibilities under the plan.

The council would be required to submit the strategic plan to the administrative head of each agency subject to the plan by March 1, 2027.

The bill would require each administrative head, by the 90th day after receiving the strategic plan, to develop and submit to the governor, the lieutenant governor, and the Legislature a plan for implementing the recommendations applicable to the agency under the strategic plan, including a justification for any recommendation the agency declined to implement.

CSHB 1848 also would require the council to:

- provide guidance on policies and incentives that encourage the adoption of electric trucks and the proliferation of required charging infrastructure;
- provide guidance on regulatory issues specific to electric trucks to ensure that electric trucks maintained safety and performance standards;
- serve as a forum for promoting technological advancements in battery technology, electric drivetrains, autonomous driving features, and other innovations;
- facilitate discussions and coordination among private entities, governmental entities, and research institutions to develop and test new electric truck technologies, share best practices, and support industry-wide adoption of those technologies and practices; and
- lead initiatives to educate stakeholders, including fleet operators, logistics companies, utilities, and policymakers, regarding electric trucks.

Under the bill, the council would be composed of:

- at least one representative appointed by the governor's office, TxDOT, the Public Utility Commission of Texas (PUC), the Electric Reliability Council of Texas, the Texas Commission on Environmental Quality, the Texas Department of Licensing and Regulation, and the Texas A&M Transportation Institute;
- at least two representatives from privately owned utilities providing electric service, appointed by the executive director of PUC;
- at least one representative from a publicly owned utility providing electric service, appointed by the executive director of PUC;
- at least one representative from the refueling industry with expertise in serving interstate freight transportation, appointed by the director of TxDOT; and
- at least three members from the private sector, appointed by the director of TxDOT.

The bill would establish provisions on council appointments and terms, requiring the director of TxDOT to determine the number of representatives that each appointing authority could appoint to serve on the council, and that council members would serve at the pleasure of the appointing authority. The bill would require that council members be appointed by January 31, 2026, and members would serve six-year terms. The representative appointed by TxDOT would serve as the presiding officer.

The council would be required to meet at least once a month or more frequently at the call of the presiding officer, with the first meeting required to be held by March 31, 2026.

CSHB 1846 would establish that the council was subject to the Texas Sunset Act and would be reviewed during the period in which TxDOT is reviewed. Unless continued in existence as provided by the Texas Sunset Act, the council would be abolished and the bill's provisions would expire on the date on which TxDOT was subject to abolishment. Certain Government Code provisions related to state agency advisory committees would not apply to the composition or duration of the council or to the designation of the council's presiding officer.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

**SUPPORTERS
SAY:**

CSHB 1846 would position the state at the forefront of innovation, technology, and economic opportunity by supporting the growing infrastructure needs for charging electric trucks in Texas. Establishing an interagency council to develop a strategic plan to implement electric truck charging infrastructure would allow the state to keep up with the expansion of zero-emission vehicles across other industries. Texas is one of the top states for medium and heavy-duty electric truck deployment, indicating that continued leadership in the industry would foster growth and move the state forward.

The bill would implement recommendations from an interagency task force held in the previous interim, which studied how expanding charging infrastructure for medium and heavy-duty electric trucks could positively impact the state's transportation network and economy. The bill also would help provide regulatory certainty, which has been sought by many private companies seeking to invest in the state, and would prevent local jurisdictions from creating a separate patchwork of recommendations.

The council would be a stand-alone program without rulemaking authority to simply make recommendations on providing limited guardrails for electric trucks and related infrastructure. Additionally, no funds would be awarded under the council, and TxDOT has provided that state costs for maintaining the council would be minimal. Trusting relevant agencies and entities to appoint qualified professionals to the council would be in keeping with the level of guidance generally provided by the Legislature for such councils.

**CRITICS
SAY:**

CSHB 1846 would create an unnecessary state entity, and the government should not introduce more regulations to the electric truck industry but let private companies handle industry needs. Other states have implemented similar programs to encourage the adoption of electric trucks and have found them costly.

The bill also should provide more details as to how each representative would be qualified to serve on the council.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of about \$4.2 million on general revenue related funds through the biennium.

- SUBJECT:** Requiring broadcast or audio recording of open meetings
- COMMITTEE:** Delivery of Government Efficiency — committee substitute recommended
- VOTE:** 12 ayes — Capriglione, Bhojani, Alders, Bowers, Cain, Cook, Curry, L. Garcia, Olcott, Rodríguez Ramos, Tinderholt, Troxclair
- 0 nays
- 1 absent — Campos
- WITNESSES:** For — Haseeb Abdullah (*Registered, but did not testify*: Kelley Shannon, Freedom of Information Foundation of Texas; Michael Schneider, Texas Association of Broadcasters; Donnis Baggett, Mike Hodges, Texas Press Association; Thomas Parkinson)
- Against — (*Registered, but did not testify*: Lisa Atkinson)
- DIGEST:** CSHB 1442 would amend the Government Code to require each executive agency that received general revenue appropriations greater than \$10 million and had the equivalent of 100 or more full-time employees to broadcast live video and audio of all open meetings, provide access to that media on its website no later than seven days after it was broadcast, and maintain that archived media for two years. The bill would authorize an agency to use for a broadcast a room made available to the agency on request in any state building.
- These agencies also would be required to post open meeting notices on their websites in a manner that complied with provisions on required meeting notices under the Open Meetings Act. An agency that became subject to these requirements for a fiscal year would have to comply in each following fiscal year.
- The bill would require legislative agencies and executive agencies other than those described above to make video or audio recordings of open meetings available through their websites or an associated social media

account no later than seven days after the meeting. These agencies also would be required to post open meeting notices on their websites or associated social media accounts in a manner that complied with provisions on required meeting notices under the Open Meetings Act. Commodity producers' boards would be exempted from these requirements until September 1, 2030.

The bill would exempt agencies from these requirements if they experienced a catastrophe or technical breakdown. Following either event, the affected agency would be required to make all reasonable efforts to make the required video or audio available in a timely manner.

Additionally, agencies would be required to consider contracting a private individual or entity through competitive bidding to broadcast and archive a meeting to minimize compliance costs.

The bill would take effect September 1, 2025, and would apply only to open meetings held on or after September 1, 2027.

**SUPPORTERS
SAY:**

CSHB 1442 would increase public information access and transparency by requiring agencies to make broadcasts and archived recordings of open meetings available online. Agencies hold open meetings to boost transparency on decisions and policies that impact the daily lives of Texans. However, due to a lack of uniform broadcast or recording standards, awareness of and access to these meetings can be difficult for those unable to attend in person. By requiring online publication of open meetings and open meeting notices, the bill would ensure that residents could reliably access critical information and stay informed of state policies and decision-making.

**CRITICS
SAY:**

CSHB 1442 should also require agencies to make the archived video or audio of an open meeting downloadable to further increase transparency.

- SUBJECT:** Establishing a soft skills training pilot program in South Texas
- COMMITTEE:** Trade, Workforce & Economic Development — favorable, without amendment
- VOTE:** 8 ayes — Button, Talarico, K. Bell, Bhojani, Harris Davila, Longoria, Lujan, Ordaz
- 2 nays — Luther, Richardson
- 1 absent — Meza
- WITNESSES:** For — (*Registered, but did not testify*: Jason Sabo, Children at Risk; Snapper Carr, City of Brownsville; Christine Yanas, Methodist Healthcare Ministries; Sarah Horn, National Federation of Independent Business (NFIB); Lori Henning, Texas Association of Goodwills; Mike Meroney, Texas Association of Manufacturers)
- Against — None
- On — Lauren Gerken, Texas council for Developmental Disabilities; Mary York, Texas Workforce Commission
- DIGEST:** HB 1147 would require the Texas Workforce Commission (TWC) to create and administer a workplace soft skills training pilot program in Cameron County that offered a six-week course covering topics such as workplace ethics and etiquette, effective communication, leadership, organizational skills, and time management and awarded a certificate of completion for participant’s successful completion of the course.
- The commission would be required to adopt rules establishing the course curriculum and eligibility criteria for participants. The commission would have to evaluate the program’s effectiveness in improving participants’ workplace soft skills and employment outcomes and report its findings to the Legislature no later than December 1, 2026. The bill would require that the report include a recommendation on whether the pilot program should be continued on a statewide basis.

The bill's provisions would expire on September 1, 2027. The bill would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 1147 would provide a critical tool for strengthening the regional workforce in South Texas by addressing potential employment barriers. Many individuals struggle to obtain or retain employment due to a lack of soft skills such as effective communication, time management, and workplace etiquette. By offering structured, certificate-based training in these areas, the bill would equip job seekers with foundational competencies that employers consistently identify as essential.

HB 1147 would benefit communities in Cameron County that face disproportionate barriers to employment, including people with disabilities. Soft skill challenges frequently prevent individuals with disabilities from fully participating in the labor force. An inclusive training program would open up greater opportunities for these individuals and help employers tap into an underutilized segment of the workforce.

The Texas Workforce Commission could implement the program using existing funds, allowing the state to test its effectiveness before committing to broader expansion. Additionally, the bill would not shift responsibility onto the state, but create new employment opportunities for individuals in South Texas.

**CRITICS
SAY:**

HB 1147 would shift responsibility for skill development from individuals and employers to the state and could divert limited agency resources from higher-priority programs.

SUBJECT: Amending the composition and duties of court security committees

COMMITTEE: Judiciary & Civil Jurisprudence — committee substitute recommended

VOTE: 11 ayes — Leach, Johnson, Dutton, Dyson, Flores, J. González, Hayes, LaHood, Landgraf, Moody, Schofield

0 nays

WITNESSES: For - Larry Gallardo, Justices of the Peace and Constables Association; Holly Williamson, Justices of the Peace and Constables Association of Texas (*Registered, but did not testify*: Bryan Mitchell, Dallas County Criminal District Attorney - John Creuzot; Steven Deline)

Against - None

On - (*Registered, but did not testify*: Josie Castro Garcia, Dallas County)

DIGEST: CSHB 2176 would amend the Government Code to require that the court security committee for a county’s local administrative judge include a representative from the county constable’s office and a justice of the peace. Court security committees would be required to meet at least once a year. The bill would establish that a court security committee was not considered a governmental body for the purposes of the Open Meetings Act or the Public Information Act.

The bill also would amend the Code of Criminal Procedure to require that a county commissioners court prioritize the recommendations provided by a court security committee when administering or directing funds from the Courthouse Security Fund and Justice Court Building Security Fund.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

SUPPORTERS SAY: By requiring court security committees to include constables’ offices representatives and justices of the peace, CSHB 2176 would ensure that individuals directly involved with judicial system security from the

earliest stages could contribute to security recommendations. In the last year, Texas courts have experienced more than 1,000 security incidents, often targeting judges and involving weapons, public disturbances, and active shooters. A climate of fear makes it difficult for courts to function effectively and safely, which is why it is important to require that justice system stakeholders meet at least once a year to craft security recommendations for funding by the commissioners court.

The bill would not affect the commissioners court's funding authority, nor would it create new members of court security committees.

Concerns about separation of powers could be addressed by amending the bill to require a county commissioners court to consider rather than prioritize a court security committee's recommendations when administering or directing funds.

CRITICS
SAY:

By requiring a county commissioners court to prioritize a court security committee's recommendations when making funding decisions, HB 2176 could cede some budget authority from a county commissioners court to its court security committee, which could create a separation of powers issue.

NOTES:

The bill's author intends to bring a floor amendment that would require a county commissioners court to consider, rather than prioritize, the recommendations provided by a court security committee when administering or directing funds from the Courthouse Security Fund and Justice Court Building Security Fund.

SUBJECT: Requiring National Fire Protection Association standards for RV parks

COMMITTEE: Land & Resource Management — favorable, without amendment

VOTE: 5 ayes — Gates, Y. Davis, Hinojosa, Hunter, Morgan

2 nays — Alders, Virdell

2 absent — Lalani, R. Lopez

WITNESSES: For - Laurie Christensen, Harris County Commissioners Court; Randall Dally, Michael Moore, Texas Association Of Campground Owners; (*Registered, but did not testify*: Ron Hinkle, Texas Association of Campground Owners; Texas Travel Alliance; DJ Pendleton, Texas Manufactured Housing Association; Mark Borskey, Texas Recreational Vehicle Association; Petrus Wassdorf, Texas Travel Alliance)

Against - (*Registered, but did not testify*: John Weist, City of Irving; Steven Deline)

BACKGROUND: National Fire Protection Association (NFPA) 1194, Standard for Recreational Vehicle (RV) Parks and Campgrounds, 2021 Edition, established general fire protection requirements and design criteria, fire safety guidelines, and environmental health and sanitation requirements for RV parks and campgrounds.

DIGEST: HB 2701 would require an RV park or campground to comply with the National Fire Protection Association (NFPA) 1194, Standard for Recreational Vehicle (RV) Parks and Campgrounds, 2021 Edition.

The bill would apply only to a recreational vehicle park or campground that consisted of a privately owned piece of land under the control of a person or non-governmental entity on which sites for RVs, recreational park trailers, or other camping units were offered primarily for transient guest use for overnight stays.

A governmental entity would be authorized to adopt a policy, rule, ordinance, or order to regulate environmental health and sanitation,

electrical distribution system safety, liquefied petroleum gas storage and dispensing safety, or fire protection only if these requirements did not impose standards more stringent than the NFPA standards.

The bill would take effect September 1, 2025, and would not require an RV park or campground to comply before September 1, 2026.

**SUPPORTERS
SAY:**

By requiring RV parks and campgrounds to comply with clear, nationally recognized standards and prohibiting governmental entities from passing more stringent policies, HB 2701 would keep communities safe and healthy while preventing overly burdensome and inconsistent local regulations that can impede the development and operation of valuable community facilities. The bill would not change how the public interacts with local governments, but would simply prevent local governments from overstepping and making decisions acceptable only to small portions of their constituencies. National Fire Protection Association standards are set by firefighters according to best practices and are supported by the industry.

Ensuring that regulations were not too onerous would protect property owners from additional development and operational costs and facilitate partnerships with property owners to make it simpler to add needed RV sites, encouraging tourism and economic development in the state.

**CRITICS
SAY:**

HB 2701 would interfere with local authorities' abilities to regulate RV parks based on the diverse needs and challenges unique to their communities. Since local governments are most directly accountable to their constituents, they are best-suited to make these regulatory decisions. By establishing maximum standards, the bill could limit adaptability and lead to overburdened infrastructure. The bill also could prevent firefighters from adopting and enforcing codes to protect communities from disasters like wildfires, especially in rural communities where many RV parks are located and where there may be higher risks of wildfires.

SUBJECT: Requiring a study on electric transmission interconnection with Mexico

COMMITTEE: State Affairs — favorable, without amendment

VOTE: 12 ayes — King, Hernandez, Y. Davis, Geren, Guillen, Hull, McQueeney, Metcalf, Phelan, Raymond, Thompson, Turner

1 nay — Darby

2 absent — Anchía, Smithee

WITNESSES: For - (*Registered, but did not testify*: Cyrus Reed, Lone Star Chapter Sierra Club; Adrian Shelley, Public Citizen)

Against - None

On - (*Registered, but did not testify*: Nathan Bigbee, Electric Reliability of Council of Texas (ERCOT); Barksdale English, Public Utility Commission of Texas)

DIGEST: HB 805 would direct the Public Utility Commission (PUC) to study the impacts of existing interconnections of electric transmission service facilities in the state to such facilities in Mexico and the potential impacts of establishing new such interconnections. The study would have to include the impacts and potential impacts on transmission and distribution networks and retail customers in the state and Mexico. PUC would have to submit a report on the study’s results to the Legislature by September 1, 2026.

The bill would take effect September 1, 2025.

SUPPORTERS SAY: HB 805 would help the state identify potential enhancements of grid resilience that could mitigate future energy crises by requiring a study on existing and potential transmission interconnections with Mexico.

Expanding interconnections with Mexico could increase grid reliability, stabilize energy prices by drawing on surplus power from Mexico during

times of high demand, and support economic growth by facilitating energy trade, benefiting consumers in both Texas and Mexico. The study required by HB 805 would help determine how to effectively improve transmission infrastructure in Texas. The state should gather information on the potential benefits of more interconnections with Mexico before dedicating substantial resources to other solutions that might be less effective.

The study required by HB 805 would align with Texas' broader efforts to strengthen grid reliability in the wake of Winter Storm Uri, increase power supply in cost-effective ways, and diversify the state's energy resources. Texas and Mexico already share electricity through the limited number of existing interconnections. HB 805 would not commit to any specific plan to expand interconnections but would keep this option open so that Texas could create an action plan if such an expansion was found to be viable and beneficial for the state.

CRITICS
SAY:

HB 805 would divert resources from more pressing priorities, such as upgrading infrastructure and improving energy access in Texas. The state should focus on investing in its own infrastructure to address the transmission shortage.

Additionally, the study required by HB 805 could be a step towards cross-border integration that would not address whether more interconnections with Mexico would align with Texas' distinctive energy independence and regulatory framework.

- SUBJECT:** Establishing an interstate compact for the liquefied natural gas industry
- COMMITTEE:** Energy Resources — favorable, without amendment
- VOTE:** 11 ayes — Darby, E. Morales, Craddick, Dean, Dyson, J. Garcia, Gates, Gerdes, Guerra, Reynolds, Rosenthal
- 0 nays
- WITNESSES:** For — (*Registered, but did not testify*: Chris Hosek, BP; Marti Luparello, Cheniere Energy Inc; Jimmy Carlile, Fasken Oil and Ranch; Lauren Fairbanks, Freeport LNG; Travis McCormick, Panhandle Producers and Royalty Owners Association; Michael D. Lozano, Permian Basin Petroleum Association; Gabriela Perdichizzi, Texas Association of Business; Kyle Bush, Texas Association of Manufacturers; Ryan Paylor, Texas Independent Producers & Royalty Owners Association (TIPRO); Tulsı Oberbevı, TXOGA)
- Against — (*Registered, but did not testify*: Cyrus Reed, Lone Star Chapter Sierra Club; Sarah Berel-Harrop; Liza Binkley; Anita Knight; Glenda Pittman; Molly Smith)
- On — (*Registered, but did not testify*: Nick Orman, Texas General Land Office)
- DIGEST:** HB 2890 would require the governor to develop and execute an interstate compact for the liquefied natural gas industry among states that border the Gulf of America. The bill would establish that it was the intent of the Legislature that the compact not require congressional approval and that the compact could not increase the political power of the compacting states in relation to the federal government.
- The Gulf States Liquefied Natural Gas Industry Compact would be required to facilitate joint action among compacting states to share information, resources, and services to protect and grow the Gulf Coast’s liquefied natural gas industry and improve coordination to increase the overall effectiveness and efficiency of the industry along the Gulf Coast.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 2890 would support and expand the liquefied natural gas (LNG) industry along the Gulf Coast by enhancing coordination and improving the industry's overall effectiveness and efficiency. The LNG sector plays a vital role in the state, local, and federal economies through substantial tax and royalty contributions, while also supporting thousands of jobs, particularly in coastal Texas. The LNG industry also provides global environmental benefits by providing a cleaner energy source that could be exported across global markets. Additionally, the industry could improve geopolitical security by reducing reliance on oil exports from other countries. HB 2890 would reflect a proactive effort to unify stakeholders and safeguard the industry against potential future political barriers, such as those experienced under the previous federal administration.

Interstate compacts are commonly used in Texas and have proven effective in strengthening key industries. By establishing an LNG compact, this bill would add another tool to support and grow a critical sector of the state's economy.

While some have suggested that the compact could limit Texas' regulatory authority, the bill would be designed solely to unify Gulf Coast states to amplify Texas' influence without ceding any control over LNG regulation.

**CRITICS
SAY:**

HB 2890 could limit Texas' regulatory authority by allowing other states to influence decisions related to industry, employment, taxation, and other critical areas. Texas' LNG industry would be better positioned to grow by maintaining its independence from other Gulf Coast states, rather than entering into a compact that risks ceding regulatory control.

Additionally, further promotion of the LNG industry could be harmful, as it is not as environmentally clean as often claimed, and could pose significant risks to environmental health.

- SUBJECT:** Creating a skilled labor task force in certain local workforce boards
- COMMITTEE:** Trade, Workforce & Economic Development — favorable, without amendment
- VOTE:** 8 ayes — Button, Talarico, K. Bell, Bhojani, Harris Davila, Longoria, Lujan, Ordaz
- 2 nays — Luther, Richardson
- 1 absent — Meza
- WITNESSES:** For — (*Registered, but did not testify:* Snapper Carr, City of Brownsville; Sarah Horn, National Federation of Independent Business (NFIB); Natasha Malik, Texas Appleseed; Lori Henning, Texas Association of Goodwills; Mike Meroney, Texas Association of Manufacturers; Tracey Borders Mittnacht, The Associated General Contractors of Texas - Highway, Heavy, Utilities and Industrial Branch)
- Against — None
- On — Mary York, Texas Workforce Commission
- DIGEST:** HB 1154 would require a local workforce development board in a county with a population of 400,000 or more that borders the Gulf of Mexico to establish a skilled labor task force. The task force would be required to consist of 17 members from the board’s local workforce development area, including representatives from local government, education, business, the district attorney’s office, the public, and two nonvoting legislative members.
- The task force would be required to study and recommend strategies to improve workforce education and training, address current and future skills gaps, support at-risk youth in preparing for employment, and ensure the local workforce is adequately trained to meet local industry needs. The bill would prohibit concurrent membership on the workforce board and the task force, and would require the workforce board to appoint a

presiding officer. The board would be required to provide administrative support to the task force as necessary to assist in conducting meetings and preparing reports required by the bill.

The task force would be required to meet within 30 days of its final appointment, meet at least quarterly, and submit a written report of findings and recommendations by December 1 of each even-numbered year to state leadership and the board.

The task force would be abolished, and the provisions would expire on September 1, 2029.

The bill would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 1154 would help Cameron County respond more effectively to its workforce challenges by creating a locally-driven structure to equip residents with the skills needed to meet industry demands. The collaboration of both public and private sector leaders within this task force would help address skilled labor shortages and meet evolving employment demands. The bill also would ensure local residents were prioritized for emerging high-wage jobs, particularly in counties experiencing industrial growth or economic development. The bill would empower local leaders to identify skill gaps, align educational programs with specific labor market needs, and help at-risk youth prepare for careers.

The task force could be established without creating new fiscal or administrative burdens, as it would operate within existing local resources. By requiring the task force to include local members from both private and public sectors, the bill would ensure that solutions were representative of the community's needs. The bill would not shift responsibility but create new employment opportunities.

**CRITICS
SAY:**

Requiring a new task force under the bill would duplicate existing workforce development efforts already coordinated by local boards and the private sector, which could create unnecessary bureaucracy and administrative burdens. The bill could shift responsibility away from

individuals and employers and lead to top-down strategies that may not reflect local markets.

SUBJECT: Allowing the use of fentanyl and xylazine testing equipment

COMMITTEE: Public Health — committee substitute recommended

VOTE: 12 ayes — VanDeaver, Campos, Bucy, Cunningham, Frank, Johnson, J. Jones, Olcott, Pierson, Schofield, Shofner, Simmons

0 nays

1 absent — Collier

WITNESSES: For - Cynthia Humphrey, Assoc of Substance Abuse Programs & Tx Healthy Minds Coalition; Judy Gradford, Austin Justice Coalition; Adam Bazaldua, City of Dallas; Cole Weaver, CWA Local 6154; Lauren Johnson, Dream.Org; Leah Kaufman, Shatterproof; Anna Duncan, VOCAL-TX (*Registered, but did not testify*: John Litzler, Baptist General Convention of Texas Christian Life Commission; Melissa Shannon, Bexar County Commissioners Court; Rick Ramirez, City of Austin; T. J. Patterson, City of Fort Worth; Christine Wright, City of San Antonio; Christine Bryan, Clarity Child Guidance Center; Adam Haynes, Conference of Urban Counties; Josie Castro Garcia, Dallas County; Katelyn Caldwell, Harris County Commissioners Court; Travis McCormick, Make Texans Healthy Again; Greg Hansch, National Alliance on Mental Illness (NAMI) Texas; Bo Stallman, Sheriffs' Association of Texas; Sarah Reyes, Texas Center for Justice and Equity; David Reynolds, Texas Chapter American College of Physicians; Kirsten Budwine, Texas Civil Rights Project; Kelsey Bernstein, Texas Council of Community Centers; Matt Dowling, Texas Medical Association; Jennifer Easley, Texas PTA; Eric Knustrom, The Cenikor Foundation; Julie Wheeler, Travis County Commissioners Court; and 6 individuals)

Against - (*Registered, but did not testify*: Sarah Cohen)

BACKGROUND: Health and Safety Code sec. 481.125 establishes an offense for knowingly or intentionally using or possessing with intent to use drug paraphernalia or for knowingly or intentionally delivering, or manufacturing or possessing with the intent to deliver, drug paraphernalia. Health and

Safety Code sec. 481.1022 establishes Penalty Group 1-B as controlled substances, including fentanyl, its derivatives, and related substances.

DIGEST: CSHB 1644 would exempt from Health and Safety Code sec. 481.125 a person who used, possessed with intent to use, delivered, possessed with intent to deliver, or manufactured with intent to deliver testing equipment that identified the presence of a substance listed in Penalty Group 1-B or xylazine.

The bill would take effect September 1, 2025, and would apply to an offense committed on or after the effective date.

SUPPORTERS SAY: CSHB 1644 would remove criminal penalties for possessing fentanyl and xylazine test strips, which are a critical tool for preventing overdoses. Fentanyl and xylazine are often mixed with other drugs without the user's knowledge, and test strips can alert individuals to the presence of these substances before consumption, reducing the likelihood of overdose. Public health experts widely accept test strips as a harm reduction strategy, as most overdoses involving fentanyl and xylazine occur when individuals are unaware they are consuming the drugs. The bill would not legalize drug use but offers a practical, evidence-based tool to help save lives by giving individuals the means to avoid unintentional overdoses.

CRITICS SAY: No concerns identified.

- SUBJECT:** Issuing overweight vehicle permits for agricultural transports in a disaster
- COMMITTEE:** Agriculture & Livestock — favorable, without amendment
- VOTE:** 7 ayes — Guillen, Cain, Hopper, Kitzman, J. Lopez, McLaughlin, Money
0 nays
2 absent — Guerra, Muñoz
- WITNESSES:** For — (*Registered, but did not testify:* Joshua Sanders, City of Houston; Melissa Hamilton, Texas & Southwestern Cattle Raisers Association; Joe Morris, Texas Beekeepers Association; Kenneth Hodges, Texas Corn Producers; Blake Roach, Texas Farm Bureau; Rob Hughes, Texas Forestry Association; Martin Hubert, Texas Pork Producers & Texas Poultry Federation)

Against — (*Registered, but did not testify:* Myra Leo, CPKC Railway; Danny Keele, Texas Police Chiefs Association; Dennis Kearns, Texas Railroad Association)
- DIGEST:** HB 2118 would amend the Transportation Code to authorize the Texas Department of Motor Vehicles (TxDMV) to issue special permits to overweight or overweight vehicles or loads that can easily be dismantled or divided and will only be used to deliver agricultural commodities during or before a disaster. The bill would make conforming changes to the Transportation Code to reflect the implementation of these permits.

The bill would define an “agricultural commodity” as an agricultural, horticultural, viticultural, silvicultural, or vegetable product, bees or honey, planting seed, cottonseed, rice, livestock or a livestock product, or poultry or a poultry product produced in the state, either in its natural form or as processed by the producer, including woodchips.

The bill would authorize TxDMV to issue such a permit during an emergency or major disaster declared by the president, after a state of disaster declared by the governor, or before an event that could result in a

state disaster declaration if the Texas Division of Emergency Management (TDEM) authorized the issuance of permits for the event.

The bill would allow a person to file an application requesting that TDEM authorize the issuance of a permit before a qualifying disaster event. If TDEM authorized the issuance, they would be required to notify TxDMV of the authorization and list in what counties the permitted vehicle could be operated.

Permits issued during a qualifying disaster event would expire no later than 120 days after the date of the disaster or emergency declaration. Permits issued preceding an event that may have resulted in a declaration would expire no later than 120 days after the date TxDMV received notice from TDEM of the permit's issuance.

The TxDMV board would be authorized to adopt rules necessary to implement the bill, including requirements for obtaining a permit. TxDMV could impose conditions on a permit holder to ensure road safety and minimize damage to roadways, including requirements regarding vehicle routing, hours of operation, weight limits, and the lighting and other requirements for escort vehicles.

The bill would not authorize vehicles that exceeded federal size or weight limits to operate on the national system of interstate and defense highways or the federal aid primary highway system. If the federal government raised these limits after September 1, 2025, the limit would automatically take effect on the applicable highway systems in Texas.

The bill would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 2118 would help ensure the timely distribution of critical supplies like food, livestock, and feed to disaster-stricken areas by allowing permits to be issued for overweight vehicles and loads carrying agricultural commodities. Current vehicle weight restrictions can hinder disaster relief efforts by forcing commercial operators to make multiple trips to deliver life-saving supplies to people and livestock across the state. These weight limits should be waivable during or prior to a disaster to help ensure that disaster relief efforts are swift, efficient, and focused on the people and animals in need.

Commercial operators trying to deliver aid should be able to bypass normal permitting policies when trying to get food and resources to disaster-stricken Texans, even if it disrupts a county's permitting processes.

**CRITICS
SAY:**

HB 2118 could disrupt established county permitting processes or burden counties with paying for repairs to roadways damaged by overweight vehicles, creating a public safety risk. The bill also could provide a competitive advantage to overweight trucks over railroads, which own and finance their own rights-of-way.

SUBJECT: Redefining "closing" for purposes of certain private activity bonds

COMMITTEE: Pensions, Investments & Financial Services — favorable, without amendment

VOTE: 8 ayes — Lambert, Plesa, Bryant, Bumgarner, L. Garcia, Hayes, Holt, Schoolcraft

0 nays

1 absent — Vo

WITNESSES: For — David Gregorcyk, Journeyman Group; Tim Alcott, Texas National Association Of Redevelopment Officials; Steve Poppoon (*Registered, but did not testify*); Michael Warner, Holland and Knight; James Morrison Jr, LDG Development; Julie Wheeler, Travis County Commissioners Court; Eric Woomer, TxNAHRO; Sarah Berel-Harrop; Thomas Parkinson)

Against — None

BACKGROUND: Chapter 1372 of the Government Code governs private activity bonds and certain other bonds and defines “closing” for purposes of bond payment.

DIGEST: HB 1718 would change the definition of “closing” under Government Code Chapter 1372 to refer to the delivery, rather than the issuance, of a bond by an issuer in exchange for the required payment for the bond. For a qualified residential rental project bond, the bill also would define as “closing” a partial bond payment of at least 10 percent, in accordance with the bond terms, rather than the full amount.

HB 1718 would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

SUPPORTERS SAY: By permitting developers to draw down partial funding from private activity bond (PAB) loans during the course of a qualified residential rental project, HB 1718 would help address Texas’ housing shortage. By

enabling partial drawdowns, the bill would ensure that developers pay interest only on funds actually drawn rather than on the total loan amount. Over a typical 24- to 36-month project timeline, this could reduce borrowing costs by approximately \$2 million—savings that could facilitate the delivery of more housing units at greater affordability and lower overall cost.

Allowing partial draws on PAB-funded loans would align Texas with other states and make these loans function more like those issued by the U.S. Department of Housing and Urban Development or through conventional construction financing. This consistency could streamline financing structures and make project execution more predictable and efficient.

In 2023 alone, an estimated 2,700 housing units were delayed due to elevated borrowing costs. HB 1718 could help avoid similar setbacks, supporting the development of homes at a range of affordability levels and strengthening the efforts of over 400 statewide housing authorities to expand access to affordable housing across Texas.

CRITICS
SAY:

No concerns identified.

NOTES:

According to the Legislative Budget Board, the fiscal implications of the bill cannot be determined at this time, as the bill does not specify how long an issuer may take to draw down proceeds and the likely loss of PAB authority in the possible scenario of the total draw-down proceeds being less than the authority allocated.

- SUBJECT:** Allowing remote contested case hearings
- COMMITTEE:** Trade, Workforce & Economic Development — favorable, without amendment
- VOTE:** 10 ayes — Button, Talarico, K. Bell, Bhojani, Harris Davila, Longoria, Lujan, Luther, Ordaz, Richardson
- 0 nays
- 1 absent — Meza
- WITNESSES:** For — Chris Jones, Combined Law Enforcement Associations of Texas (CLEAT); John Wilkerson, Texas Municipal Police Association (TMPA) (*Registered, but did not testify*: Walter Gonzales, American property casualty insurance association; Joshua Sanders, City of Houston; Lloyd Cook, Fort Worth POA; Ray Hunt, Houston Police Officers’ Union, HPOU; Albert Betts, Insurance Council of Texas; Sarah Horn, National Federation of Independent Business (NFIB); Ed Serna, Texas Mutual Insurance Company; Glenn Deshields, Texas State Assoc of Fire Fighters)
- Against — None
- On — Allen Craddock, Texas Dept. of Insurance, Division of Workers’ Compensation (*Registered, but did not testify*: Dirk Johnson, Office of Injured Employee Counsel)
- DIGEST:** HB 2488 would allow the Division of Workers’ Compensation to conduct a contested case hearing by videoconference when the division determined that good cause exists or when all parties involved agreed to the remote format. The bill would require the commissioner of workers’ compensation to adopt rules to implement the bill.
- The bill would apply to contested case hearings requested on or after the bill’s effective date.

The bill would take effect immediately if it receives the required two-thirds vote in each chamber; otherwise, it would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 2488 would improve the workers' compensation dispute process by expanding the option to hold contested case hearings through videoconference. The Division of Workers' Compensation has already used remote communication successfully for other proceedings and extending this alternative to contested case hearings would provide greater flexibility without eliminating in-person options.

HB 2488 would benefit injured workers by reducing the time and cost associated with resolving disputes. Remote hearings can help shorten resolution timelines, minimize time away from work, and reduce travel burdens. The bill would expand access to legal representation by allowing parties to retain attorneys who are not located nearby.

**CRITICS
SAY:**

No concerns identified.

SUBJECT: Expanding protective orders to victims of certain burglary offenses

COMMITTEE: Criminal Jurisprudence — committee substitute recommended

VOTE: 11 ayes — Smithee, Wu, Bowers, Cook, J. Jones, Little, Louderback, Money, Moody, Rodríguez Ramos, Virdell

0 nays

WITNESSES: For – Brett Ligon, Montgomery County District Attorneys Office (*Registered, but did not testify*: Jennifer Tharp, Comal County Criminal District Attorney; M. Paige Williams, Dallas Criminal District Attorney John Creuzot; James Kershaw, Harris County Deputies' Organization #39; Andrew Wright, Houston Police Officers' Union; Lauren Lawrence, Phil Sorrells - Tarrant County Criminal District Attorney; Ray Hunt, John Wilkerson, Texas Municipal Police Association; Thomas Parkinson)

Against – None

DIGEST: CSHB 2596 would amend the Code of Criminal Procedure to allow victims of burglary offenses punishable as a second- or first-degree felony to apply for a protective order. The bill would make conforming changes to statute on protective orders and the rights of victims requiring protective orders to reflect this change.

To the extent of any conflict, this bill would prevail over another act of the 89th Legislature related to nonsubstantive additions and corrections in enacted codes.

The bill would take effect September 1, 2025.

SUPPORTERS SAY: CSHB 2596 would help protect victims of home burglaries by allowing them to obtain a protective order that currently only extends to victims of certain sexual offenses or stalking. Burglary can cause lasting trauma and fear, particularly when the victim does not know who committed the offense, as the intruder knows where the victim lives. Victims should not

have to leave their homes to remain safe, and a protective order could help restore a sense of security.

Break-ins are often perpetrated by individuals whom the victims know or have had prior contact with. Furthermore, it can be difficult to determine what an intruder intended if the crime was interrupted or no physical attack occurred. By allowing protective orders for all second- or first-degree felony burglaries, regardless of the intruder's specific intent beyond that required for the burglary offense, CSHB 2596 would better protect those at risk of repeated victimization, stalking, or abuse.

The bill also would allow victims to obtain a lifetime protective order in cases where the offender was required to register for life as a sex offender. This could help protect victims long after the legal process concludes. A lifetime order could be especially important for victims who fear further contact or retaliation, even after an offender has completed the sentence.

CRITICS
SAY:

No concerns identified.

SUBJECT: Exempting closed-loop geothermal injection wells from certain fees, reports

COMMITTEE: Energy Resources — favorable, without amendment

VOTE: 10 ayes — Darby, E. Morales, Dean, Dyson, J. Garcia, Gates, Gerdes,
Guerra, Reynolds, Rosenthal

0 nays

1 absent — Craddick

WITNESSES: For — Ben Sebree, Texas Geothermal Energy Alliance (*Registered, but did not testify*: Chris Hosek, BP; Julie Williams, Chevron; Jimmy Carlile, Fasken Oil and Ranch; Cyrus Reed, Lone Star Chapter Sierra Club; Josiah Neeley, R Street Institute; Jeremy B. Mazur, Texas 2036; Gabriela Perdichizzi, Texas Association of Business; Liza Binkley; Anita Knight; Glenda Pittman; Molly Smith)

Against — (*Registered, but did not testify*: Sarah Berel-Harrop)

On — (*Registered, but did not testify*: Scott Larson, Railroad Commission of Texas)

BACKGROUND: Water Code sec. 27.037 defines a closed-loop geothermal injection well as a closed system geothermal well used to circulate water, other fluids, or gases through the earth as a heat source or heat sink to generate power or heat or cool a structure.

DIGEST: HB 1971 would exempt a person who submitted a request for authorization or was authorized to use a valid permit for a closed-loop geothermal injection well issued by the Railroad Commission (RRC) from the statutory requirements to pay a drilling permit fee and file an organization report with RRC.

The bill would take effect September 1, 2025.

**SUPPORTERS
SAY:**

By exempting closed-loop geothermal injection well owners from drilling permit fees and reporting requirements, HB 1971 would ensure that the regulation of these wells aligned with previous practices under the Texas Commission on Environmental Quality (TCEQ) and reduce administrative and financial burdens on well owners and the Railroad Commission of Texas (RRC). The 88th Legislature passed SB 786 in 2023, which transferred regulatory jurisdiction of closed-loop geothermal injection wells from TCEQ to RRC. Well owners became subject to these requirements when jurisdiction was transferred, which was not the intent of the Legislature in passing the bill.

Closed-loop geothermal injection wells more closely resemble water wells than hydrocarbon-producing wells and are often operated by individual landowners primarily for residential HVAC systems. As such, these types of wells do not need to be subject to the same requirements as other types of energy generation under RRC's jurisdiction, and these requirements create unnecessary burdens both for well owners and RRC.

Additionally, it is impractical for closed-loop geothermal injection well operators to file organization report forms, as these reports are intended for commercial operations and have burdensome bonding requirements.

**CRITICS
SAY:**

HB 1971 would remove accountability measures for closed-loop geothermal injection well operators. These operators should be required to file an organization report form with RRC to ensure proper oversight and transparency with the public.

SUBJECT: Amending a buyer’s right to cancel property contracts in PIDs

COMMITTEE: Trade, Workforce & Economic Development — favorable, without amendment

VOTE: 10 ayes — Button, Talarico, K. Bell, Bhojani, Harris Davila, Longoria, Lujan, Luther, Ordaz, Richardson

0 nays

1 absent — Meza

WITNESSES: For — Seth Juergens, Texas REALTORS (*Registered, but did not testify*: Abby Powell, Texas Land Title Association; Thomas Parkinson)

Against — None

DIGEST: HB 2468 would specify that, in the event that a contract of purchase and sale of real property located in a public improvement district (PID) was entered into without the seller providing notice of obligations related to PIDs, a purchaser could terminate the contract for the purchase of real property for any reason within seven days after the purchaser received the notice.

A purchaser could terminate the contract only if the municipality or county filed a copy of the service plan for the PID with the county clerk before the contract was entered into. The bill would apply only to sales for which a binding contract was executed on or after the bill’s effective date.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

SUPPORTERS SAY: HB 2468 would create an enforcement mechanism to ensure that service plans for PID’s were publicly filed with the county clerk by conditioning a property buyer’s right to terminate on whether the municipality or county had properly filed the service plan. Under current law, buyers can

terminate a contract if they do not receive PID notice from the seller, but a seller may have contracts cancelled for not providing notice when the required information for the notice had not been filed by the municipality or county. The bill would ensure sellers were only held responsible for disclosing information that was publicly accessible, close an unintended loophole, and protect sellers from having contracts canceled due to circumstances outside their control.

CRITICS
SAY:

No concerns identified.

SUBJECT: Allowing colleges to prohibit the use of e-cigarettes and tobacco products

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 11 ayes — Wilson, Howard, A. Davis, Lalani, Lambert, V. Perez, Shaheen, Shofner, Tinderholt, VanDeaver, Ward Johnson

0 nays

WITNESSES: For — Charlie Gagen, American Lung Association; John Austin, Maria Monge, Texas Medical Association, Texas Public Health Coalition, Texas Pediatric Society; Priscilla Guerra (*Registered, but did not testify*: Priscilla Camacho, Alamo Colleges District; Alec Puente, American Heart Association; Jaime Puente, Every Texan; Christine Yanas, Methodist Healthcare Ministries; Marshall Kenderdine, Texas Academy of Family Physicians; Amanda Garcia, Texas AFT-AAUP; David Reynolds, Texas Chapter American College of Physicians; Troy Alexander; Kevin Gillespie)

Against — None

On — David Lakey, UT System

DIGEST: HB 484 would authorize a public higher education institution to adopt a policy prohibiting the use of cigarettes, e-cigarettes, or tobacco products on the grounds of the institution’s campus. The bill would introduce definitions for “cigarette,” “e-cigarette,” and “tobacco product” to the Education Code.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

SUPPORTERS SAY: HB 484 would help make Texas college campuses safer and healthier for staff and students by codifying best practices for tobacco use on college campuses. By allowing public colleges and universities to ban the use of tobacco products, the bill would decrease the amount of secondhand

smoke inhaled by non-smokers on campus and would help incentivize active smokers to quit. As many smokers first become addicted when they are college-aged, the bill would reduce the chance that students initiate tobacco use when they are most likely to begin the habit.

By codifying the explicit authority for colleges to ban nicotine products, the bill would leave this decision up to each individual college as it sees fit.

CRITICS
SAY:

While HB 484 would help make Texas college campuses healthier places for students, the bill should go further by requiring colleges to completely ban tobacco products to protect as many students as possible. This would help to better prevent nicotine addiction for college students who are among the most susceptible, as most people who become addicted to nicotine start smoking before the age of 26.

- SUBJECT:** Expanding eviction data reported to the Office of Court Administration
- COMMITTEE:** Judiciary & Civil Jurisprudence — favorable, without amendment
- VOTE:** 7 ayes — Leach, Johnson, Dutton, Dyson, Flores, J. González, Moody
3 nays — Hayes, LaHood, Schofield
1 absent — Landgraf
- WITNESSES:** For — (*Registered, but did not testify:* Joshua Houston, Caritas of Austin; Kelley Shannon, Freedom of Information Foundation of Texas; Chris Newton, Texas Apartment Association; Nate Walker, Texas Housers; Stephanie O'Banion, United Ways of Texas)

Against — None

On — (*Registered, but did not testify:* Megan LaVoie, Office of Court Administration)
- BACKGROUND:** Concerns have been raised that the eviction data being reported by courts to the Office of Court Administration (OCA) is missing key information regarding landlord-tenant disputes. Some have suggested that requiring this information to be reported to the OCA and added to its electronic database would help lawmakers make informed decisions on measures to address evictions.
- DIGEST:** HB 2578 would require a court with original or appellate jurisdiction over landlord and tenant disputes to report by category, as a component of the official monthly report submitted to the Texas Judicial Council (TJC), certain cases filed in the court related to forcible entry and detainer or landlords and tenants, including suits involving eviction, disconnection of utilities, repair and remedy, security deposits, unlawful lockouts, provision of security and safety devices, and any other category of suit involving a landlord or tenant brought under Property Code provisions governing landlords and tenants and designated by TJC.

The bill would require TJC to prescribe the categories of landlord and tenant suits and procedures for reporting as soon as practicable after the bill's effective date. TJC would be authorized to adopt rules as necessary to implement the bill.

In addition, HB 2578 would require the Office of Court Administration (OCA) to publish on its website, in a format searchable by date and jurisdiction, information on landlord and tenant dispute cases reported under the bill. The information would have to include for each case: the court in which the case was filed, including the precinct and county; whether the parties were represented by any legal counsel or agent; and the disposition of the case.

The bill would take effect September 1, 2025. The bill would not require a court to report landlord and tenant dispute information until after TJC prescribed reporting categories and procedures.

SUBJECT: Establishing the Polytechnic College at Sam Houston State University

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 11 ayes — Wilson, Howard, A. Davis, Lalani, Lambert, V. Perez,
Shaheen, Shofner, Tinderholt, VanDeaver, Ward Johnson

0 nays

WITNESSES: For - None

Against - None

On - Heather Thielemann, Sam Houston State University

DIGEST: CSHB 3204 would redesignate the Josey School of Vocational Education, a division of Sam Houston State University, as the Polytechnic College. The bill would remove the previous vocational training requirements related to the Josey School and instead require Polytechnic College to provide career and technical education for individuals who desire to participate in short intensive courses in career and technical education. The education would have to be designed to lead to career and technical education certificates, as defined by the Texas Higher Education Coordinating Board. The bill also would remove provisions related to the School's tuition and scholarships and instead require that the Polytechnic College be funded in the same manner as a public state college.

CSHB 3204 would make the Polytechnic College at Sam Houston State University an eligible institution for the Texas Educational Opportunity Grant Program, which would apply to grants awarded under the grant program for the 2026 fall semester.

The bill would amend the definition of "lower-division institution of higher education" to include the Polytechnic College at Sam Houston State University for the purposes of coordinating cybersecurity coursework development and the Texas Reskilling and Upskilling through

Education (TRUE) program. This would apply to grants awarded under the TRUE Program for the 2025 fall semester.

The bill would take effect September 1, 2025.

**SUPPORTERS
SAY:**

CSHB 3204 would help Sam Houston State University educate and prepare more students for careers in high-demand fields. Many Texas industries are currently experiencing a shortage of credentialed employees. To close this gap in qualified professionals and help support economic growth in the state, Texas higher education officials have set the goal of having 60 percent of Texas workers equipped with a college degree or professional credentials by 2030. The Polytechnic College would prepare students for success in this changing economic landscape by providing courses in the fields where more qualified professionals are needed, including technical careers such as artificial intelligence and automation. These programs would be designed with industry partners and enable students to more easily secure jobs in high-demand trades or prepare them to pursue further education in their fields.

**CRITICS
SAY:**

No concerns identified.

SUBJECT: Prohibiting beneficiary designations for certain caregivers

COMMITTEE: Human Services — favorable, without amendment

VOTE: 11 ayes — Hull, Manuel, A. Davis, Dorazio, C. Morales, Noble, Richardson, Rose, Schatzline, Slawson, Swanson

0 nays

WITNESSES: For - Don Moore (*Registered, but did not testify*: Andrea Earl, AARP Texas; Chase Bearden, Coalition of Texans with Disabilities; Jeff Miller, Disability Rights Texas; Buffy Crownover, Evergreen Life Services; Christine Busse, NAMI Texas; Carmen Tilton, Texas Assisted Living Association; Kelsey Bernstein, Texas Council of Community Centers; Sarah Berel-Harrop; Sidney Hollingsworth)

Against - None

DIGEST: HB 1041 would amend the Insurance Code to establish that a caregiver does not have a direct or indirect insurable interest in the life of an individual with a disability, including an intellectual disability, unless the caregiver is a relative of the individual. The restriction would apply to individuals receiving care at a state supported living center, assisted living facility, intermediate care facility, or group home.

The bill would specify that “relative” means a person related to the insured within the third degree by consanguinity or affinity.

The bill would apply to life insurance policies delivered, issued for delivery, or renewed on or after January 1, 2026. The bill would take effect September 1, 2025.

SUPPORTERS SAY: HB 1041 would help prevent conflicts of interest created when caregivers are named as beneficiaries on the life insurance policy of a client for whose care and well-being they are responsible. Current law allows non-relatives providing care to be named as life insurance beneficiaries, which could create incentives for neglect or financial exploitation by service providers, especially when an individual suffers from intellectual or

developmental disabilities. The bill would close the gap by limiting potential beneficiaries only to those related to the individual, thereby strengthening protections for vulnerable individuals in the state.

CRITICS
SAY:

No concerns identified.

- SUBJECT: Raising community service credit for fines and court costs
- COMMITTEE: Criminal Jurisprudence — favorable, without amendment
- VOTE: 11 ayes — Smithee, Wu, Bowers, Cook, J. Jones, Little, Louderback, Money, Moody, Rodríguez Ramos, Virdell
- 0 nays
- WITNESSES: For – (*Registered, but did not testify*: Nick Hudson, American Civil Liberties Union of Texas; Josie Castro Garcia, Dallas County; M. Paige Williams, Dallas County Criminal District Attorney John Creuzot; Justin Keener, Doug Deason; Kathy Mitchell, Equity Action; Natasha Malik, Texas Appleseed; Nikki Pressley, Texas Public Policy Foundation; Beverly Biehl; Judy Gradford; Peter Hunt)
- Against – None
- On – (*Registered, but did not testify*: Thomas Parkinson)
- DIGEST: For a defendant who was unable to pay the fine and costs adjudged against them in a misdemeanor case, HB 307 would increase the amount of credit applied towards those costs, from \$100 to \$150, for:
- each day the defendant was confined in jail;
 - each day the defendant was put to work in certain jail or county work programs; or
 - each eight hours of community service the defendant served.
- The bill also would clarify that, in addition to certain periods in which the defendant was confined in jail or prison, the \$150 daily credit would apply to time spent awaiting trial for cases involving a misdemeanor punishable by fine only.
- The bill would take effect September 1, 2025, and would apply to a person convicted of an offense who, on or after the effective date, performed community service, was confined to jail, or performed labor to

receive credit toward fines or costs, regardless of when the underlying offense was committed.

**SUPPORTERS
SAY:**

HB 307 would correct an oversight in the law created when the daily credit for jail time was increased in 2021, while the credit for community service remained the same. Because community service credit has remained at \$100 while credit for jail time is set at \$150, individuals could be inadvertently incentivized to remain in jail instead of performing community service. Aligning the two credit amounts would help to remove that incentive.

**CRITICS
SAY:**

No concerns identified.

SUBJECT: Prohibiting higher rates for water or sewer services for tax-exempt entities

COMMITTEE: Natural Resources — favorable, without amendment

VOTE: 12 ayes — Harris, Martinez, Ashby, Barry, C. Bell, Buckley, Fairly, Gámez, J. Garcia, Romero, Villalobos, Zwiener

0 nays

1 absent — M. González

WITNESSES: For — None

Against — None

DIGEST: HB 685 would prohibit municipalities from establishing rates for water or sewer utility services for entities qualifying for sales tax or property tax exemptions that are higher than rates established for entities that receive comparable utility services.

The bill would take effect September 1, 2025.

SUPPORTERS SAY: HB 685 would help ensure fair and equitable utility rates by prohibiting municipalities from increasing water and sewer utility rates for tax-exempt entities, such as churches and religious organizations, to offset lost tax revenue. The bill would promote fair pricing practices by municipalities and could prevent potential undue financial burdens for tax-exempt entities.

CRITICS SAY: No concerns identified.

SUBJECT: Requiring FERC approval for certain transmission grid interconnections

COMMITTEE: State Affairs — committee substitute recommended

VOTE: 13 ayes — K. King, Anchía, Darby, Y. Davis, Geren, Guillen, Hull, McQueeney, Metcalf, Phelan, Raymond, Smithee, Turner

0 nays

2 absent — Hernandez, Thompson

WITNESSES: For - (*Registered, but did not testify*: Kyle Bush, Texas Association of Manufacturers)

Against - None

On - (*Registered, but did not testify*: Kennedy Meier, Electric Reliability Council of Texas; Connie Corona, Public Utility Commission of Texas)

BACKGROUND: Utilities Code sec. 37.051 generally prohibits a person, including an electric or municipally owned utility, from interconnecting a facility to the Electric Reliability Council of Texas (ERCOT) transmission grid that enables additional power to be imported into or exported out of the ERCOT power grid. However, interconnection is allowed if the person obtains a certificate from the Public Utility Commission of Texas (PUC) stating that public convenience and necessity require or will require the interconnection.

DIGEST: CSHB 1710 would amend the Utility Code to require a person seeking to interconnect a facility to the ERCOT transmission grid that enabled additional power to be imported into or exported out of the ERCOT power grid to obtain approval by the Federal Energy Regulatory Commission (FERC) in addition to a PUC certificate. The bill would specify that FERC approval could only be issued under certain sections of the Federal Power Act.

The bill would take effect September 1, 2025.

**SUPPORTERS
SAY:**

By adding FERC approval to the limited circumstances in which a person may interconnect a facility to the ERCOT power grid, CSHB 1710 would help maintain the independence of the Texas Interconnection from federal regulation. The independence of the Texas grid helps the state keep electricity prices low by prioritizing deregulation, competition, and affordability without burdensome federal oversight. Having ERCOT as a single grid operator also facilitates grid reliability and legislative flexibility in energy policy. However, there have been efforts to connect the Texas grid to out-of-state grids, inviting federal regulation. CSHB 1710 aims to maintain the advantages of grid independence by mandating that any interconnections capable of moving additional power into or out of the ERCOT grid be appropriately approved by FERC.

**CRITICS
SAY:**

No concerns identified.

SUBJECT: Requiring the release of academic documents under certain conditions

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 9 ayes — Wilson, Howard, A. Davis, Lalani, Lambert, V. Perez,
Tinderholt, VanDeaver, Ward Johnson

2 nays — Shaheen, Shofner

WITNESSES: For – (*Registered, but did not testify*: Priscilla Camacho, Alamo Colleges District; Kelle Kieschnick, Texas Business Leadership Council; Ashley Harris, United Ways of Texas; Sarah Berel-Harrop)

Against – None

DIGEST: HB 538 would amend the Education Code to require a postsecondary educational institution, on request by a student, to release to the student the student’s transcript or training completion certificate issued by the institution. The bill would define a “postsecondary educational institution” as a public or private higher education institution or a career school or college.

If the student making the request had not fulfilled the student’s financial obligation to the institution, the institution would be required to release the student’s transcript or certificate only if the student:

- had not been enrolled in the institution for at least five years;
- included with the student’s request a copy of the posting for the job for which the student intended to apply, or a statement that the student intended to enroll in another postsecondary educational institution; and
- had made a good faith effort to fulfill the financial obligation, such as entering into a payment plan.

The bill would require a transcript or certificate released for a student with unfulfilled financial obligations to be issued directly to the employer or postsecondary educational institution for which the student was requesting

the transcript or certificate. The bill would authorize the issuing institution to charge a reasonable fee for the release of a transcript or certificate. The fee amount would be required to be the same for each student, except that an institution could establish a policy that provided for charging a lower fee for certain students based on criteria other than whether the student had fulfilled the student's financial obligation to the institution.

The bill would remove official transcripts from the list of documents a student was not entitled to receive from a higher education institution if the student had unpaid nonresident tuition under certain circumstances.

The bill also would repeal Education Code sec. 132.062, which authorizes a career school or college to withhold a student's transcript or training completion certificate until the student has fulfilled the student's financial obligation to the school or college. The bill would make conforming changes pertaining to the repealed section.

HB 538 would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 538 would help students complete their education, become employed, and work toward paying off their debts by requiring transcripts and certificates to be released for students who owe money to their prior educational institutions. The bill would help these students qualify for new jobs or education opportunities, which often require a student's past transcripts or certificates to be provided when applying.

By helping more students attain college degrees and professional credentials, HB 538 would contribute to the state's goal of at least 60 percent of the state workforce holding postsecondary credentials by 2030. Additionally, the bill would not financially harm educational institutions that are owed money by a requesting student because it would only require the release of transcripts and certificates to employers and other institutions, and would not prohibit colleges from trying to collect the money owed by the former student.

The bill would not allow for an academic record to be delivered directly to the student, and students seeking their academic record after five years would be using the transcript to help get to a place financially to repay their debts to the university. Additionally, the “good faith effort” provisions of the bill would allow a university to determine what that repayment effort looks like. Should a student try to obtain the student’s record without satisfying these criteria, the university would not have to release the record. Additionally, allowing educational institutions to charge a reasonable fee would permit institutions to determine a fee based on the cost of a transcript, which can vary from institution to institution. This would address this differentiation across the state and allow for flexibility.

**CRITICS
SAY:**

HB 538 would be unfair to students who had been responsible and paid their financial obligations in full. A student who has not fulfilled the student’s financial obligations should not receive a transcript before those obligations are met. Additionally, the bill should explicitly define what constitutes a reasonable fee amount for releasing a transcript or certificate. Without a defined limit, this amount could become too high.

- SUBJECT:** Amending tax exemption for certain organizations serving seniors
- COMMITTEE:** Ways & Means — favorable, without amendment
- VOTE:** 12 ayes — Meyer, Martinez Fischer, Bernal, Button, Capriglione, Gervin-Hawkins, Hickland, Noble, V. Perez, Troxclair, Turner, Vasut
- 0 nays
- 1 absent — Muñoz
- WITNESSES:** For - Aaron Hargett, Buckner Retirement Services; Elisabeth Elsass, Rio Concho Retirement Community; Jeffrey Lisson, Rio Concho, Inc.
(*Registered, but did not testify*: Emiliano Romero, LeadingAge Texas; Wes Benedict, Texans for Reasonable Solutions; Jennifer Allmon, The Texas Catholic Conference of Bishops; Drema Neves)
- Against - (*Registered, but did not testify*: Adam Cahn)
- BACKGROUND:** The Tax Code exempts from ad valorem taxation certain charitable organizations that engage exclusively in performing charitable functions, including the provision of housing and related services for persons who are 62 years old and older without regard to the residents' ability to pay.
- DIGEST:** HB 2525 would make the following organizations eligible for ad valorem tax exemption if at least four percent of their net resident revenue went to charitable housing and services, rather than based on the provision of housing and services regardless of residents' ability to pay:
- organizations providing permanent housing and related social, health care, and educational facilities for persons who were 62 years old or older; and
 - organizations providing housing and related services to persons who were 62 years old or older in a retirement community, if the retirement community provided independent living services, assisted living services, and nursing services to its residents on a single campus.

The bill would define “charitable housing and services” as:

- housing services provided to a person 62 years old or older in financial need, including as an independent living, assisted living, or nursing facility; and
- any service designed to meet the unique needs of a person 62 years old or older, including ministerial services, government-sponsored indigent health care, social services, health services, educational services, and donations to qualified organizations that serve seniors.

The bill also would specify that the terms “charity care,” “government-sponsored indigent health care,” and “net resident revenue” were determined in the same manner for a retirement community or nursing home as these terms are defined for the purpose of determining a nonprofit hospital that provides charity care and community benefits.

The bill would take effect January 1, 2026.

**SUPPORTERS
SAY:**

HB 2525 would clarify eligibility for charitable property tax exemptions and help ensure that seniors have access to affordable housing and aging services.

Ambiguity in current law has resulted in taxing entities challenging or revoking exemptions for senior living providers in recent years. The financial burden from the loss of the tax exemption has caused some facilities to decrease the number of residents they take in or reduce the quality of services they provide, limiting options for low-income retirees seeking housing and aging services. HB 2525 would provide a consistent and measurable standard to ensure that organizations can maintain their tax exemption. It also would replace outdated language with a more practical and inclusive definition of charitable functions that better applies to senior living facilities.

**CRITICS
SAY:**

By focusing on services to low-income seniors age 62 or older, HB 2525 would provide a benefit to a specific class of non-profit housing providers, which would shift the tax burden to other taxpayers. Proper guardrails are needed to ensure that the exemption would not allow for a significant amount of property value to be removed from tax rolls. Tax carve-outs are

not the proper vehicle for encouraging charitable activity, and Texas should promote a fair tax system that treats all property owners equally.

HB 2525 also could contribute to complexity and inefficiency in the tax system. Selective exemptions that rely on vague terms like “net resident revenue” could cause administrative confusion, which could lead to legal disputes, tax avoidance, and uneven enforcement.

NOTES:

According to the Legislative Budget Board, the impact on state revenue is unknown as the number of organizations that would newly qualify for an exemption cannot be determined.

SUBJECT: Requiring a TWC initiative to prepare a geothermal energy workforce

COMMITTEE: Energy Resources — favorable, without amendment

VOTE: 11 ayes — Darby, E. Morales, Craddick, Dean, Dyson, J. Garcia, Gates, Gerdes, Guerra, Reynolds, Rosenthal

0 nays

WITNESSES: For - Dario Guerra, City of McAllen PUB; Marco Vega, McAllen Public Utility (*Registered, but did not testify*: Guillermo Van Maanen, Chevron; Julie Range, Commission Shift Action; Colin Leyden, Environmental Defense Fund; Cyrus Reed, Lone Star Chapter Sierra Club; Gabriela Perdichizzi, Texas Association of Business; Kenneth Flippin, Texas chapter of US Green Building Council; Jade Gillespie, Texas Geothermal Energy Alliance)

Against - None

On - Ken Wisian, Bureau of Economic Geology; Kerry Ballast, Texas Workforce Commission

DIGEST: HB 3125 would require the Texas Workforce Commission (TWC), in consultation with the Texas Higher Education Coordinating Board (THECB), to establish and administer an initiative to develop and implement:

- customized education and training programs necessary to prepare students for jobs in the geothermal energy industry; and
- other strategies to support and incentivize education and training opportunities that address skill gaps in the geothermal energy workforce.

Under the initiative, TWC would be required to consult with representatives from THECB, certain schools and colleges, and geothermal industry employers to develop customized curriculum requirements for:

- degree or certificate programs that may be offered by higher education institutions to prepare students for geothermal energy industry jobs; and
- other programs of instruction leading to recognized educational credentials to prepare students for geothermal energy industry jobs that may be offered by career schools or colleges.

TWC also would be required to consult with these entities to identify opportunities to use workforce development funding to provide financial assistance for geothermal energy workforce training programs and to promote and support the creation of partnerships between higher education institutions and geothermal industry employers in Texas under which apprenticeship and employment opportunities in the industry would be made available to students and graduates.

By September 1 of each year, TWC, in consultation with THECB, would have to prepare and submit to each standing committee of the Legislature with primary jurisdiction over workforce development, higher education, or energy industry matters a report summarizing TWC's activities under the initiative. The report could include recommendations for legislative or other action.

The bill would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 3125 would support the emerging geothermal energy industry in Texas by requiring TWC to explore how to prepare students for careers in this field. As several new geothermal facilities are in development across the state, it has become more necessary to develop a skilled workforce capable of operating such facilities and making informed decisions on the job.

Supporting the geothermal workforce would expand the potential for geothermal energy in the state, which would be beneficial for Texas' energy future since this energy resource is low-risk, quiet, dispatchable, resilient, and does not emit carbon dioxide. Texas is particularly well-suited for geothermal development because there is a large amount of heat in the upper part of the Texas subsurface, and the state already maintains a

prominent place in the global energy industry. In addition, drilling techniques developed in recent years have made it cheaper, faster, and generally easier to access geothermal energy.

CRITICS
SAY:

No concerns identified.

SUBJECT: Authorizing certain tax abatement agreements in the Port Freeport district

COMMITTEE: Ways & Means — favorable, without amendment

VOTE: 12 ayes — Meyer, Martinez Fischer, Bernal, Button, Capriglione, Gervin-Hawkins, Hickland, Noble, V. Perez, Troxclair, Turner, Vasut

0 nays

1 absent — Muñoz

WITNESSES: For — Phyllis Saathoff, Port Freeport (*Registered, but did not testify*: Kolton McDougald, Texas Chemistry Council)

Against — None

DIGEST: HB 2027 would authorize the Brazoria County Commissioners Court to execute tax abatement agreements with the owner of a leasehold interest in tax-exempt property or property owned by the Port Freeport district located in a designated reinvestment zone.

The bill also would authorize the court to execute tax abatement agreements with owners of tangible personal property or an improvement located on tax-exempt property or property owned by the district that was located within a designated reinvestment zone.

Agreements could exempt all or a portion of the value of the relevant leasehold interest, property, or improvement.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

SUPPORTERS SAY: HB 2027 would address the unintended consequences of the passage of HB 5336 by the 88th Legislature in 2023, which removed certain areas from Port Freeport's jurisdiction and placed them under control of Brazoria County. However, the bill did not authorize Port Freeport to

execute economic development agreements within the removed areas. HB 2027 would help ensure long-term economic stability for Port Freeport and the surrounding communities by strengthening public-private partnerships, advancing infrastructure development on port-owned lands, and increasing Texas' competitiveness for future investment.

CRITICS
SAY:

No concerns identified.

- SUBJECT:** Extending disabled veteran assistance payments to certain municipalities
- COMMITTEE:** Ways & Means — favorable, without amendment
- VOTE:** 13 ayes — Meyer, Martinez Fischer, Bernal, Button, Capriglione, Gervin-Hawkins, Hickland, Muñoz, Noble, V. Perez, Troxclair, Turner, Vasut
- 0 nays
- WITNESSES:** For — Michael Blomquist, Tony Canterino, David Mitchell, City of Harker Heights; Brynn Myers, City of Temple; Mitch Fuller, VFW Department of Texas (*Registered, but did not testify*: Jerry Bark, City of Harker Heights; Stacey Hawkins, Fred Shannon, City of Temple; Jim Brennan, Texas Coalition of Veterans Organizations; Monty Wynn, Texas Municipal League; Russell Hayter)
- Against — None
- On — Howard Arey (*Registered, but did not testify*: Brian Hodgdon, Comptroller of Public Accounts)
- BACKGROUND:** Tax Code sec. 11.131 provides a tax exemption for the total appraised value of the residence homestead of a disabled veteran with a 100 percent disability rating or the veteran’s surviving spouse.
- Tax Code sec. 140.011 entitles certain local governments located near U.S. military installations to an assistance payment from the state for lost tax revenue attributable to the disabled veterans’ homestead exemption. To qualify for the assistance payment, the local government’s loss in revenue must be at least 2 percent of general fund revenue for the fiscal year.
- DIGEST:** HB 2894 would amend the eligibility requirements for a municipality to be considered a qualified local government for purposes of the disabled veterans’ homestead exemption assistance payment under Tax Code sec. 140.011. The bill would remove the requirement for a municipality to be adjacent to a U.S. military installation as long as the municipality’s loss of

property tax revenue attributable to the disabled veterans' homestead exemption was at least 10 percent of the municipality's general fund revenue for a fiscal year.

The bill would take effect September 1, 2025.

**SUPPORTERS
SAY:**

HB 2894 would reduce the burden on municipalities that lose significant amounts of revenue to the disabled veterans' homestead exemption. Many cities with large disabled veteran populations do not qualify for the state assistance payment because they are not adjacent to a military base. Some of these cities lose over 10 percent of their tax revenue due to the disabled veterans' homestead exemption, which strains their ability to provide essential public services and increases the tax burden on other taxpayers. HB 2894 would provide much-needed relief to municipalities that are disproportionately impacted by the disabled veterans' homestead exemption and allow those cities to better serve both veterans and non-veterans in the community.

**CRITICS
SAY:**

HB 2894 would not guarantee that the assistance payments the local governments would receive would be refunded to taxpayers. Property owners who do not qualify for the disabled veterans' homestead exemption have been shouldering the burden as local tax rates have continued to climb to make up for the lost revenue. The bill should be amended to add safeguards to ensure that any relief flows to the taxpayers who have borne the cost of the exemption.

SUBJECT: Removing UPCs from monthly reports for brewers and distributors

COMMITTEE: Ways & Means — favorable, without amendment

VOTE: 13 ayes — Meyer, Martinez Fischer, Bernal, Button, Capriglione, Gervin-Hawkins, Hickland, Muñoz, Noble, V. Perez, Troxclair, Turner, Vasut
0 nays

WITNESSES: For - Travis Bailey, Texas Craft Brewers Guild (*Registered, but did not testify*); Vic Brooks, Republic National Distributing Company; Cheri Huddleston, Southern Glazer’s Wine and Spirits; Lance Lively, Texas Package Stores Association; JP Urrabazo, The Beer Alliance of Texas; Doug Davis, Wholesale Beer Distributors of Texas; Tom Spilman, Wholesale Beer Distributors of Texas; Joey Bennett, Wine and Spirits Wholesalers of Texas; Thomas Parkinson)

Against - None

On - (*Registered, but did not testify*: Phillip Ashley, Comptroller of Public Accounts)

DIGEST: HB 3077 would remove the requirement for brewers, brewpubs, wholesalers, distributors, and package store local distributors to provide universal product codes (UPCs) of alcoholic beverages in monthly reports provided to the comptroller.

The bill would take effect September 1, 2025.

SUPPORTERS SAY: HB 3077 would remove an administrative burden for brewers and small distributors without disrupting the comptroller’s auditing process by eliminating the unnecessary requirement to report universal product codes (UPCs). Smaller craft beer producers often sell draft kegs or similar products that do not have a UPC because these products are not scanned by retail checkout systems. However, the monthly reports that brewers must provide to the comptroller require UPCs to be filed for all products sold to retailers. Brewers must make up UPCs for products that do not have them, which leads to duplicate codes and rejected reports and creates

confusion. UPCs are not necessary for the comptroller to perform audits, and removing them from the system also could make the comptroller's process easier. HB 3077 would eliminate a cumbersome administrative process and allow further growth and innovation in the craft brewing industry.

CRITICS
SAY:

No concerns identified.

SUBJECT: Excluding certain securities transactions from an entity's total revenue

COMMITTEE: Ways & Means — committee substitute recommended

VOTE: 12 ayes — Meyer, Martinez Fischer, Button, Capriglione, Gervin-Hawkins, Hickland, Muñoz, Noble, V. Perez, Troxclair, Turner, Vasut

0 nays

1 absent — Bernal

WITNESSES: For — Bill Lauderback, TXSE Group Inc (Texas Stock Exchange)
(*Registered, but did not testify*: Daniel Hodge, Texas Stock Exchange)

Against — None

On — (*Registered, but did not testify*: Nick Souza, Comptroller of Public Accounts)

DIGEST: HB 3684 would exclude, from the determination of total revenue for franchise tax purposes, any transaction rebate payments made by a registered securities market operator to a broker or dealer as part of a securities transaction.

A registered securities market operator would be defined as an entity that was engaged in securities or commodity exchanges and was subject to registration with and regulation by the United States Securities and Exchange Commission or the United States Commodity Futures Trading Commission. A transaction rebate payment would be defined as an amount paid to incentivize a broker or dealer to provide liquidity to the market.

The bill would apply to a tax report originally due on or after the bill's effective date. The bill would take effect January 1, 2026.

SUPPORTERS SAY: HB 3684 would encourage market liquidity and enhance the Texas financial sector by excluding transaction rebate payments from the franchise tax. Securities exchanges often provide transaction rebate

payments to brokers and dealers to incentivize liquidity and facilitate trades. These rebates are pass-through payments and do not reflect true income, but are included in the total revenue calculation of taxable entities, which results in higher franchise tax liabilities and less efficient markets. HB 3684 would bring clarity and equity to the franchise tax treatment of transaction rebate payments and ensure Texas remains a leader in financial services and the global economy.

CRITICS
SAY:

HB 3684 would create a franchise tax exception that would reward a particular type of entity, which could result in higher tax rates on ordinary Texans to make up for the loss in revenue. Exclusions from the tax base that benefit a small group of taxpayers would violate the principles of fair and uniform taxation.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of \$560,000 to the Property Tax Relief Fund through the biennium. Any loss to the Property Tax Relief Fund must be made up with an equal amount of general revenue to fund the Foundation School Program.