HOUSE RESEARCH ORGANIZATION • TEXAS HOUSE OF REPRESENTATIVES
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HOUSE RESEARCH ORGANIZATION

daily floor report

Friday, May 2, 2025
89th Legislature, Number 55
The House convenes at 9 a.m.
Part One

One resolution is on the Constitutional Amendments Calendar and 56 bills are on the General State Calendar for second reading consideration today. The list of bills in Part One of the *Daily Floor Report* appears on the following page.

Gary VanDeaver
Chairman
89(R) - 55

HOUSE RESEARCH ORGANIZATION

Daily Floor Report

Friday, May 02, 2025

89th Legislature, Number 55

Part 1

SUBJECT: Proposing a constitutional amendment to prohibit a carbon tax

COMMITTEE: Ways & Means — favorable, without amendment

VOTE: 8 ayes — Meyer, Button, Capriglione, Gervin-Hawkins, Hickland, Noble, Troxclair, Vasut

4 nays — Martinez Fischer, Bernal, V. Perez, Turner

1 absent — Muñoz

WITNESSES: For — Samantha Vick, Heartland Impact; Karr Ingham, Texas Alliance of Energy Producers (*Registered, but did not testify*: Molly Vogt, American Energy Works; Travis McCormick, Panhandle Producers and Royalty Owners Association; Tom Glass, Texas Constitutional Enforcement; Adam Cahn)

Against — (*Registered, but did not testify*: Charlie Gagen, American Lung Association; Luke Metzger, Environment Texas; Cyrus Reed, Lone Star Chapter Sierra Club; Adrian Shelley, Public Citizen)

DIGEST: HJR 138 would amend the Texas Constitution to prohibit the Legislature from imposing a tax on the carbon content of a fuel or the emission of carbon dioxide or other greenhouse gas that resulted from the use, production, or consumption of any good or service.

A ballot proposal would be presented to voters at an election on November 4, 2025, and would read: "The constitutional amendment prohibiting the imposition of a carbon tax."

SUPPORTERS SAY: By prohibiting the imposition of a carbon tax, HJR 138 would protect consumers and businesses, ensure energy independence and reliability, and support free market economic growth. A carbon tax could increase the costs of production and distribution of coal, oil, natural gas, and gasoline, which could lead to higher costs across the economy, since energy impacts almost every economic area. Though a carbon tax would be detrimental to all businesses and consumers, it would be particularly

harmful to low-income individuals, who would have more difficulty absorbing the rising costs of living.

The higher costs of production and distribution associated with carbon taxes also could lead to a loss of jobs in the oil and gas industry and stifle the growth of Texas' energy economy. Out-of-state investors could reconsider moving their businesses to more tax-friendly jurisdictions. By prohibiting carbon taxes in the Constitution, HJR 138 would protect consumers from economic distress and send a signal to industry and investors that Texas is committed to remaining a low-tax, pro-growth state.

A carbon tax also could threaten the state's energy independence and reliability. Texas leads the nation in oil and gas production, which has been a source of stable energy for residents. Carbon tax costs could lead to a decrease in domestic energy production at a time when energy grid reliability is more important than ever. This also could increase reliance on foreign energy sources such as Russia and the Middle East, decreasing Texas' security and geopolitical independence.

HJR 138 would protect individuals and businesses from the potential unfairness of carbon taxes, which would be difficult to apply uniformly as the government would have difficulty determining how to tax each industry. Rather than intervening in the private sector through tax policy, the government should allow competition and the free market to thrive.

A carbon tax would not only be harmful to energy producers and consumers, but it would also be ineffective at achieving environmental goals. The imposition of a state carbon tax would have little to no impact on CO_2 levels in the atmosphere unless other states and countries also adopted carbon taxes. A large-scale transfer of energy production to wind and solar would be unlikely because of the high costs of production of those energy sources. A carbon tax also could drive oil and gas companies to other countries with fewer environmental protections, which could result in an overall increase in harmful effects to the environment.

Though some have suggested HJR 138 would create an unnecessary constitutional barrier to future legislatures, the negative consequences of a

carbon tax are serious enough that the state should take a proactive approach by amending the Texas Constitution. Additionally, the resolution's proposition would allow voters to have a direct say regarding the state's policy on this issue.

CRITICS SAY:

By limiting future legislatures' ability to impose carbon taxes, HJR 138 could threaten the environment, reduce the competitiveness of Texas businesses, and unnecessarily restrict the legislative process.

Climate change is contributing to harmful environmental effects in Texas, such as more frequent and severe extreme weather events and wildfires. To avoid the harmful impacts of climate change, the state should reduce carbon emissions. Imposing a tax on the carbon emissions of companies and individuals could be an efficient means to reduce emissions and protect the environment. By prohibiting carbon taxes, HJR 138 would take away an important tool from future legislatures to craft innovative policy solutions to climate change.

Prohibiting carbon taxes could have unintended consequences for Texas businesses. Other countries have instituted carbon tariffs on their trading partners, including the United States. Eliminating a tool to control carbon emissions for exporting companies could limit Texas' ability to keep its industries and economy competitive globally.

In addition, a constitutional prohibition on carbon taxes would be unnecessary, as there are no current proposals to impose any such tax. Any future carbon tax proposal should go through the legislative process like other bills and be evaluated on its merits by lawmakers. Texas should not create a constitutional hurdle that could prevent future legislators from pursuing this tax policy.

NOTES:

According to the Legislative Budget Board, the constitutional amendment would have no cost to the state other than the cost of publication, which would be $191,689.

SUBJECT: Reallocating annual HEF funding for public higher education institutions

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 10 ayes — Wilson, Howard, A. Davis, Lalani, Lambert, V. Perez, Shofner, Tinderholt, VanDeaver, Ward Johnson

0 nays

1 absent — Shaheen

WITNESSES: For – Mike Meroney, Texas Association of Manufacturers (*Registered, but did not testify*: Rebekah Chenelle, Dallas Regional Chamber; Matt Creel, Opportunity Austin; Steven Deline)

Against – None

On – Amanda Withers, Sam Houston State University; Andy MacLaurin, Texas Higher Education Coordinating Board; Teddy Mitchell, Texas Tech University System; Clayton Gibson, University of North Texas (*Registered, but did not testify*: James White, Texas Southern University)

BACKGROUND: The Texas Constitution requires the Legislature to authorize allocations of the Higher Education Fund (HEF) to provide funding for certain construction costs and other capital purposes at public higher education institutions that are not eligible for Available University Fund (AUF) funding.

Every 10 years, the Legislature is required to allocate by formula the annual appropriations. Every five years of each 10-year period, the Legislature is required to review the allocation formula and may make adjustments. The total amount of distributions appears in the General Appropriations Act and flows through an equitable formula to institutions over the 10-year period.

Education Code sec. 62.022 requires the Higher Education Coordinating Board, in the middle of each 10-year period, to conduct a five-year review

of the allocation formula prior to the convening of a regular legislative session. The coordinating board must conduct the review with the full participation of the eligible institutions and present recommendations to the Legislative Budget Board and appropriate legislative committees on any proposed adjustment to the allocation formula. The Legislature is required to approve, modify and approve, or reject the recommendations of the coordinating board.

Education Code sec. 62.021 contains the current allocations of these amounts and states that the funds are allocated based on an equitable formula with three elements: space deficit, facilities condition, and institutional complexity. The formula also includes a separate allocation to the Texas State Technical College System, which, under the Constitution, is capped at no more than 2.2 percent of the total HEF allocation. The balance of HEF funds is then distributed by the formula.

Some have suggested that increased HEF appropriations are needed to compensate for the growth of Texas public institutions of higher education and the institutions' reduced purchasing power due to inflation.

DIGEST:

CSHB 42 would increase funding for public higher education institutions through allocations of the Higher Education Fund (HEF) and would update legislative session references in statute to refer to the 89th Legislature.

For each fiscal year beginning with the fiscal year ending August 31, 2026, rather than 2017, the amount of the annual constitutional appropriation for the HEF would be increased to $787.5 million, from $393.75 million.

CSHB 42 would establish the allocations to certain public higher education institutions for fiscal years 2026 and 2027. Total allocations for higher education institutions for fiscal 2026 would be increased from the current amounts. The bill also would increase the 2026 allocations in fiscal 2027, contingent on the passage and voter approval of a constitutional amendment proposed by the Legislature providing for the creation of funds to support the capital needs of the Texas State Technical College System. If the Texas Constitution is amended as proposed, the bill

would remove the Texas State Technical College System Administration and its component campuses from HEF allocations for fiscal 2027.

The bill would include the University of North Texas at Frisco, the Sam Houston State University College of Osteopathic Medicine, and the University of Houston College of Medicine in the HEF allocations for fiscal years 2026 and 2027. The bill would include the Texas State Technical College-East Williamson County in the HEF allocations for fiscal 2026.

Each governing board participating in the distribution of funds allocated by the formula could in its sole discretion use the funds to pay the principal and interest of certain bonds.

Contingent on the passage into law of SB 2361 or similar legislation of the 89th Legislature relating to the transfer of the University of Houston-Victoria to The Texas A&M University System, the amounts allocated to the University of Houston-Victoria would be allocated to the university as transferred to The Texas A&M University System.

The bill would repeal Education Code sec. 62.021(e-2), which pertains to consolidation and exclusion from funding of The University of Texas-Pan American and The University of Texas at Brownsville.

The bill would make conforming changes throughout.

The bill would take effect September 1, 2025, except for provisions regarding the increased annual constitutional appropriation. Provisions regarding the increased annual constitutional appropriation would also take effect September 1, 2025, but only if the bill was finally passed by a two-thirds record vote of the membership of each house.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of about $787.5 million to general revenue related funds through the biennium.

SUBJECT: Establishing the Texas Future Fund and fund investment review board

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 23 ayes — Bonnen, M. González, Barry, DeAyala, Fairly, Garcia Hernandez, Gervin-Hawkins, Howard, V. Jones, Kitzman, J. Lopez, Lujan, Manuel, Martinez, Oliverson, Orr, Rose, Simmons, Slawson, Tepper, Villalobos, Walle, Wu

1 nay — Harrison

3 absent — Collier, Goodwin, Lozano

WITNESSES: For - Rajiv Bala, Clutch VC; Jordan Blashek; Steve Prince (*Registered, but did not testify*: Susan Ross, Johnson & Johnson; Matt Creel and Stacy Schmitt, Opportunity Austin; Marshall Kenderdine, Starlab Space; Megan Mauro, Texas Association of Business; Kelle Kieschnick, Texas Business Leadership Council; Matt Abel, Texas Economic Development Council; Danielle Lobsinger Bush, Texas Healthcare and Bioscience Institute)

Against — (*Registered, but did not testify*: Cyrus Reed, Lone Star Chapter Sierra Club)

On — (*Registered, but did not testify*: Whitney Blanton and Anca Ion, Texas Treasury Safekeeping Trust Company)

BACKGROUND: Given the elevated balance in the state's economic stabilization fund (ESF), also known as the rainy day fund, some have suggested establishing the Texas Future Fund as a separately managed account within the ESF to invest in the state's development and commercialization of frontier technologies such as advanced nuclear energy, semiconductors, artificial intelligence, space exploration, and aerospace technology.

DIGEST: CSHB 104 would require the comptroller to designate $5 billion of the economic stabilization fund (ESF) balance to establish the Texas Future Fund as a separately managed account within the ESF. The comptroller

would administer the fund, and the amount of the fund balance would be excluded from the ESF balance.

The Texas Treasury Safekeeping Company (the trust) or its designee would, in consultation with the Texas Future Fund Investment Review Board created by the bill, invest proceeds and other earnings from the sale of investments made using money from the fund and any interest earned on those amounts in the fund.

The trust also could acquire, exchange, sell, or retain certain reasonable investments aligned with the purposes, terms, distribution requirements, and other circumstances outlined for the fund, and would be required to pay reasonable administrative and managerial expenses required to maintain the fund.

The bill would authorize the trust to enter into a contract that required a third party to act in a fiduciary capacity with one or more qualified third parties for the administration, management, and custody of the assets of the fund and any other authorized responsibilities. The trust could contract with a certified public accountant to perform independent audits of the fund or with a licensed attorney to review contracts and other legal documents.

The bill would establish the Texas Future Fund Investment Review Board as the fund's governing body and would require the comptroller to provide it with the necessary administrative support and resources. Board member terms would be staggered and six years in length. The board would be composed of the following nine members:

- three members appointed by the comptroller;
- two members appointed by the governor;
- two members appointed by the lieutenant governor; and
- two members appointed by the governor from a list of candidates for appointment provided by the speaker of the House of Representatives.

The comptroller, governor, and lieutenant governor each would be required to appoint one member with experience in private equity, venture

capital, or a similar field; and one member with experience in frontier technology infrastructure, an industry sector that is critical to national defense, or another innovative technology.

The comptroller also would be required to appoint at least one member with experience managing, directing, overseeing, or investing public funds or public pension assets and to designate one appointed member as the presiding officer of the board.

In choosing members to appoint from a list of candidates provided by the speaker of the House of Representatives, the governor would be required to appoint one candidate for appointment with experience in private equity, venture capital, or a similar field and one candidate for appointment with experience in frontier technology infrastructure, an industry sector that is critical to national defense, or another innovative technology. The governor also could reject one or more of the candidates on the list and request a list of additional candidates.

Before a member could assume the duties of the role, the member would be required to complete a training course provided by the comptroller pertaining to the role and functions of the board and the requirements of the Open Meetings Act (OMA) and Public Information Act (PIA).

The board would be required to meet at least twice annually to review the fund's investments. The board could hold a closed meeting in accordance with the OMA to discuss matters pertaining to the management, acquisition, or sale of securities.

The board's duties would include:

- overseeing the investment of the assets of the fund;
- providing guidance on the investment strategy to be used;
- developing and requiring adherence to procedures based on industry best practices for operational and investment due diligence;
- developing and maintaining a list of relevant target industries and investment opportunities;

- establishing an investment policy and procedures for the fund, subject to the comptroller's approval; and
- establishing priorities for the fund's investment program biennially.

By December 31 of each even-numbered year, the board would be required to submit to the Legislature a report summarizing investments made using money in the fund during the preceding state fiscal year, the estimated effect of the investments on the state's economy, and related information.

The board would adopt a code of ethics, subject to the comptroller's approval, that included conflict of interest standards with which each member would be required to affirm compliance in writing.

A person would not be eligible to serve on the board if the person or the person's spouse:

- was employed by, or participated in, the management of a business entity or other organization receiving an investment from the fund; or
- owned or controlled, directly or indirectly, an interest in a business entity or other organization receiving an investment from the fund.

Board members would serve without compensation but would be entitled to reimbursements for actual expenses incurred to attend meetings and perform other approved work.

The bill would provide that certain information related to the Texas future fund was subject to public disclosure under the PIA, including certain information including the entities receiving investment money from the fund and the identities of associated personnel, the date and amount of the transactions, the state's ownership interest, voting decisions by the board, and any other relevant information.

As soon as is practicable, but no later than October 1, 2025, the bill would require the comptroller, governor, and lieutenant governor to appoint the initial members of the board.

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.

SUBJECT: Prohibiting contracts with foreign adversary, federally banned companies

COMMITTEE: Homeland Security, Public Safety & Veterans' Affairs — committee substitute recommended

VOTE: 10 ayes — Hefner, R. Lopez, Canales, Cortez, Dorazio, Hickland, Holt, Isaac, McLaughlin, Pierson

0 nays

1 absent — Louderback

WITNESSES: For — Jacqueline Deal, Michael Lucci, State Armor; Sunny Cheung, The Jamestown Foundation; Dennis London; Bin Xie (*Registered, but did not testify*: Andrew McVeigh, Texans for Fiscal Responsibility; John Bolgiano; Steven Deline)

Against — Zhengang Cheng

BACKGROUND: Some have suggested that prohibiting foreign adversary companies and federally banned companies from submitting a bid for a contract with a governmental entity related to goods or services and protecting Texas' sensitive data from these companies would prevent foreign adversaries from developing economic and technology dependencies in the U.S. economy as a way to achieve leverage over the U.S.

DIGEST: CSHB 129 would prohibit a foreign adversary company or a federally banned company from submitting a bid for a contract or entering into a contract with a governmental entity relating to goods or services unless there was no other reasonable option for procuring the good or service, the entity preapproved the contract, and failure to procure the good or service would pose a greater threat to Texas than the threat associated with procuring the good or service.

Under the bill, a foreign adversary company would be a company that entered into a contract with a governmental entity to sell to the entity any final products or services produced by a foreign adversary company or a

federally banned company. The bill would define a foreign adversary company as a company:

- domiciled, incorporated, headquartered, issued, or listed in a foreign adversary;
- that had its principal place of business in a foreign adversary;
- controlled by the government, military, or ruling political party of a foreign adversary; or
- majority owned by an entity described above;

The term would not include a U.S. citizen, a U.S. subsidiary as defined under federal export administration regulations, or a parent company that generated no more than 50 percent of its total annual global revenue from subsidiaries from a foreign adversary.

The bill would define a foreign adversary to mean the People's Republic of China, including the Hong Kong special administrative region, the Republic of Cuba, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Russian Federation, the Syrian Arab Republic, the Venezuelan regime under Nicolas Maduro, or an agent or entity under significant control of a country described above.

A federally banned company would mean a company:

- that produced or provided communications equipment or services listed on the covered list of equipment considered to pose an unacceptable risk to national security published by the Public Safety and Homeland Security Bureau of the Federal Communications Commission;
- listed in the Code of Federal Regulations as subject to certain license requirements related to exports, reexports, and transfers.
- prohibited from participating in certain federal contracts;
- identified as a Chinese military company by the U.S. Department of Defense;
- subject to economic and trade sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury;

- subject to an order issued by the Federal Acquisition Security Council; or
- restricted under any similar sanction program under federal law.

Certification required. A governmental entity would have to require a vendor submitting a bid for a contract relating to goods or services to include in the bid a written certification that the vendor was not prohibited from submitting the bid or entering into the contract under the bill.

False certification, violation. A governmental entity that determined that a vendor holding a contract with the entity was ineligible to have the contract awarded because the vendor's certification that the vendor was not prohibited under the bill was false would have to notify the vendor that the vendor was in violation of the bill. The notice would have to include the basis for the entity's determination that the vendor was in violation. On making a final determination that a vendor was in violation, the governmental entity would be required to refer the matter to the attorney general for enforcement as provided for in the bill.

Contract termination for false certification, barring from state contracts. A governmental entity, on making a final determination that a vendor was in violation under the bill, would have to immediately terminate the contract without further obligation to the vendor. On receiving notice from a governmental entity of a contract termination under the bill because a vendor was in violation, the comptroller could bar the vendor from participating in state contracts. The vendor would be debarred until the fifth anniversary of the date of the debarment.

Civil penalty. A vendor that violated the bill would be liable to the state for a civil penalty in an amount equal to the greater of twice the amount of the contract terminated for false certification or $250,000. The attorney general could bring an action to recover a civil penalty imposed under the bill.

The bill would apply only to a contract for which the request for bids or proposals or other applicable expression of interest was made public on or after the effective date of the bill.

CSHB 129 would take effect September 1, 2025.

SUBJECT: Prohibiting appointment of elections administrators by elected officials

COMMITTEE: Elections — favorable, without amendment

VOTE: 8 ayes — Shaheen, Bucy, Isaac, Morales Shaw, Plesa, Raymond, Swanson, Toth

0 nays

1 absent — Wilson

WITNESSES: For — Dr. Laura Pressley, True Texas Elections (*Registered, but did not testify*: Joey Bennett, Secure Democracy USA; Jay Williamson, The Texas Association of County Election Officials; Kathy Haigler; Russell Hayter)

Against — None

On — (*Registered, but did not testify*: Christina Adkins, Texas Secretary of State)

BACKGROUND: Concerns have been raised that, while current law prohibits county elections administrators from running for or holding a position in a public or political office, election administrators may be appointed to an office by an elected official. Some have suggested prohibiting election administrators from holding an appointed position could address potential conflicts of interest and promote public trust in election integrity.

DIGEST: HB 677 would prohibit a county elections administrator from holding any office or position appointed by an elected official.

The bill would take effect September 1, 2025, and would apply only to the appointment of a county elections administrator that occurred on or after the effective date.

SUBJECT: Amending Medicaid and CHIP coverage for cranial remolding orthosis

COMMITTEE: Human Services — committee substitute recommended

VOTE: 7 ayes — Hull, Manuel, Dorazio, Noble, Richardson, Rose, Swanson

0 nays

4 absent — A. Davis, C. Morales, Schatzline, Slawson

WITNESSES: For — Walter Governor, Hanger Clinic; Erik Olson, Hanger Clinic / TDLR Prosthetic and Orthotic Advisory Board; Russell Lundstrom, Ottobock; Lisa Abernethy, Texas Society of Orthotics and Prosthetics Professionals; Jennifer Bates; Bretta Fylstra; Brittany Jones (*Registered, but did not testify*: Stacy Wilson, Children's Hospital Association of Texas; Iris Saenz, Memorial Hermann Health System; Frederic Warner, Memorial Hermann Health System; Christine Yanas, Methodist Healthcare Ministries; Bryan Mares, National Association of Social Workers-Texas; Jan Philip Rahmann, Ottobock; Alec Mendoza, Texans Care for Children; Lauren Fleming, Texas Coalition for Paitents; Kelsey Bernstein, Texas Council of Community Centers; Amanda Tollett, Texas Medical Association; Linda Litzinger, Texas Parent to Parent; Desiree Ingram, Texas Women's Healthcare Coalition; Sabrina Gonzalez Saucedo, The Arc of Texas; Kayla Anderson; Steven Deline; Trevor Hirschhauser; Kyle Lajewski; Laura Miller)

Against — None

On — Latora Jones, Health and Human Services Commission

BACKGROUND: Concerns have been raised that insurers often consider cranial remolding orthoses cosmetic and do not provide coverage, even when prescribed for conditions like brachycephaly or plagiocephaly. Some have suggested that children with conditions such as craniosynostosis, often treated with surgery and orthoses, may not receive full coverage for additional helmets, limiting access to effective treatment.

DIGEST:

CSHB 426 would require the Health and Human Services Commission (HHSC) to ensure that medical assistance reimbursement was provided to cover in full the cost of a cranial remolding orthosis for a child who was a medical assistance recipient and had been diagnosed with either craniosynostosis or positional plagiocephaly or brachycephaly. To qualify, the child would be required to be between 3 and 18 months of age, have documented failure to respond to conservative therapy for at least two months, and meet at least one of the following clinical criteria:

- asymmetrical appearance confirmed by a right/left discrepancy of greater than six millimeters in a craniofacial anthropometric measurement; or
- brachycephalic or dolichocephalic disproportion in the comparison of head length to head width confirmed by a cephalic index of two standard deviations above or below the mean.

The bill would prohibit the coverage from being less favorable than the coverage required for other orthotics under Medicaid. The bill would define "cranial remolding orthosis" as a custom-fitted or custom-fabricated medical device applied to the head to correct a deformity, improve function, or relieve symptoms of a structural cranial disease.

The bill also would amend the Health and Safety Code to require the Children's Health Insurance Program (CHIP) to cover in full the cost of a cranial remolding orthosis for an enrollee in the same manner that Medicaid coverage was provided for that treatment.

If a state agency determined that a waiver or authorization from a federal agency was necessary to implement the bill, the agency would be required to request the waiver and could delay implementation until the waiver or authorization was granted.

The bill would take effect September 1, 2025.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of $2.3 million to general revenue related funds through the biennium.

SUBJECT: Authorizing a grace period for handgun license renewal

COMMITTEE: Homeland Security, Public Safety & Veterans' Affairs — favorable, without amendment

VOTE: 10 ayes — Hefner, R. Lopez, Cortez, Dorazio, Hickland, Holt, Isaac, Louderback, McLaughlin, Pierson

0 nays

1 absent — Canales

WITNESSES: For — Kyle Carruth, Gun Owners of America; Gary Zimmerman (*Registered, but did not testify*: Jennifer Szimanski, Combined Law Enforcement Associations of Texas (CLEAT); Leigh Gibson, Gun Owners of America; Chris McNutt, Texas Gun Rights; Mark Borskey, Tara Mica, Texas State Rifle Association)

Against — (*Registered, but did not testify*: Timothy Mabry, Lead Through Fire; Dakota Moyers)

On — (*Registered, but did not testify*: Natalie Robertson, Department of Public Safety)

BACKGROUND: To renew a license to carry a handgun, current law requires a person to submit a renewal application, a fee, and an informational form on or before the license's expiration date. Concerns have been raised that a person who does not request a renewal on or before the expiration date must complete all the requirements applicable to an applicant for a new handgun license, including proficiency training, fingerprinting, and submitting identity documentation that is already on file. Some have suggested providing a grace period after the expiration of a handgun license would address this issue.

DIGEST: HB 668 would require a license holder to submit a renewal application and other required materials to renew a license to carry a handgun on or

before the first anniversary of the date the license expired, rather than on or before the expiration date.

HB 668 bill would apply to a handgun license that expired before, on, or after the effective date of the bill.

The bill would take effect immediately if finally passed by a two-thirds record vote of all the members elected to each house. Otherwise, HB 668 would take effect September 1, 2025.

SUBJECT: Limiting electronic disclosure of certain medical information

COMMITTEE: Public Health — committee substitute recommended

VOTE: 11 ayes — VanDeaver, Campos, Collier, Cunningham, Frank, Johnson, J. Jones, Pierson, Schofield, Shofner, Simmons

2 nays — Bucy, Olcott

WITNESSES: For — Nora Cox, Texas e-Health Alliance; Dr. David Gerber, Texas Medical Association (*Registered, but did not testify*: Stacy Wilson, Children's Hospital Association of Texas; Eric Woomer, Federation of Texas Psychiatry, Texas Dermatological Society, Texas Allergy, Asthma and Immunology Society; Daniel Gonzalez, Texas Academy of Family Physicians; David Reynolds, Texas Chapter American College of Physicians; McCann Turner, Texas Health Resources (THR); Benjamin Williams, Texas Hospital Association; Clayton Travis, Texas Pediatric Society; Sara Allen, Texas Society of Pathologists; Denise Rose)

Against — (*Registered, but did not testify*: Sarah Berel-harrop; Eve Margolis)

On — Sarah Lindley Bailey

BACKGROUND: Concerns have been raised that federal regulations requiring physicians to communicate test results to patients immediately, which often occurs through online portals, have led to confusion and distress among patients who find out about potentially serious conditions through electronic communications and may be unclear on the meaning of their diagnoses.

DIGEST: CSHB 1699 would prohibit the disclosure of a sensitive test result to a patient or patient representative by electronic means before the third day after the date the results were finalized. The bill would define a “sensitive test result” as a pathology or radiology report that had a reasonable likelihood of showing a finding of malignancy or a test result that could reveal a genetic marker.

CSHB 1699 would specify that a person who administered or controlled the electronic health record of a patient would be responsible for implementing the prohibition. The bill also would establish that a person was not subject to civil, criminal, or administrative liability or professional disciplinary action for failure to comply with the bill.

The bill would only apply to the disclosure of sensitive test results on or after the bill's effective date.

The bill would take effect September 1, 2025.

SUBJECT: Enhancing sentencing and release limits for intoxication manslaughter

COMMITTEE: Corrections — favorable, without amendment

VOTE: 7 ayes — Harless, Allen, Harrison, Lowe, Lozano, Schatzline, Wharton

1 nay — Meza

1 absent — V. Jones

WITNESSES: For — Avery Chapman; Ashley Davis (*Registered, but did not testify*: Jennifer Szimanski, Combined Law Enforcement Associations of Texas (CLEAT); Joe Morris, Game Warden Peace Officers Association; James Kershaw, Harris County Deputies' Organization FOP #39; Brian Hawthorne and Bo Stallman, Sheriffs Association of Texas (SAT); John Sierega, TMPA; and 8 individuals)

Against — Justin Martinez, LatinoJustice PRLDEF; Kirsten Budwine, Texas Civil Rights Project

On — (*Registered, but did not testify*: Timothy Fitzpatrick, Texas Department of Criminal Justice)

BACKGROUND: Under Penal Code sec. 49.08, intoxication manslaughter is a second-degree felony (two to 20 years in prison and an optional fine of up to $10,000), with enhanced penalties possible in certain circumstances.

Some have suggested that a longer minimum prison sentence for intoxication manslaughter would help ensure enough time for criminal justice system processes and rehabilitation for individuals who entered the country illegally and commit this offense.

DIGEST: HB 2017 would increase the minimum prison sentence for intoxication manslaughter to 10 years if it were shown at trial that the defendant was in the United States after committing an offense involving illegal entry into Texas.

A defendant convicted under this provision would be ineligible for community supervision, including deferred adjudication.

HB 2017 also would prohibit release on parole or mandatory supervision for such inmates until they had served at least 10 calendar years without consideration of good conduct time, with mandatory supervision allowed only if the inmate was otherwise eligible for release.

The bill would take effect September 1, 2025, and would apply only to offenses committed on or after that date.

SUBJECT: Requiring a study to evaluate rural firefighting service capabilities

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*: Clay Avery, SAFE-D, the Texas State Association of Fire and Emergency Districts; J Pete Laney, State Firefighters' & Fire Marshals' Association; Melissa Hamilton, Texas & Southwestern Cattle Raisers Association; Jeremy B. Mazur, Texas 2036; Blake Roach, Texas Farm Bureau; Rob Hughes and Joe Morris, Texas Forestry Association; Monty Wynn, Texas Municipal League; Bryan Flatt, TMPA)

Against — None

On — David Coatney, Texas A&M Engineering Extension Service (TEEX)

BACKGROUND: Concerns have been raised that rural communities may face more challenges in maintaining sufficient firefighting and technical rescue services compared to urban areas. Some have suggested that a study on the topic could help evaluate disparities and develop recommendations to improve rural firefighting and technical rescue services.

DIGEST: HB 2128 would require the Texas A&M Engineering Extension Service to conduct a study of rural firefighting and technical rescue service capabilities and compare them with the capabilities of urban municipalities.

The bill would require the study to consider disparities in available funding for personnel and equipment, the number of qualified candidates to fill new or vacant positions for firefighting and rescue personnel,

opportunities for affordable training for such personnel, and any other factor the Extension Service considered relevant.

The Extension Service would be required to submit to the governor, lieutenant governor, and the speaker of the House of Representatives a report on the findings of the study and any recommendations by December 1, 2026.

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. The bill would expire September 1, 2027.

SUBJECT: Amending certain physician licensing requirements

COMMITTEE: Public Health — committee substitute recommended

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

1 nay — Collier

WITNESSES: For — Nicholas Armstrong, Texas Public Policy Foundation; Patricia Aronin, TX400, Texas Physicians for Patients PAC; Tanner Aliff; Inas Khattab (*Registered, but did not testify*: Travis McCormick, Make Texans Healthy Again; Charles Miller, Texas 2036)

Against — None

On — (*Registered, but did not testify*: Christopher Palazola, Texas Medical Board)

BACKGROUND: Due to concerns about a shortage of physicians in many parts of the state, some have suggested amending licensure requirements to reduce regulatory barriers that prevent physicians from eligibility to practice medicine in the state.

DIGEST: CSHB 2038 would amend medical license requirements for certain physicians and graduates of medical school.

Military veterans. The bill would require the Texas Medical Board (TMB) to issue a license to practice medicine to an applicant who:

- was licensed in good standing as a physician in another state;
- was a veteran of the U.S. Armed Forces who retired from or otherwise left military service not more than three years before the application date for a license;
- was, at the time of retiring from or leaving military service, serving on active duty and was authorized as a physician to treat persons enlisted in or veterans of the U.S. Armed Forces; and

- had passed the Texas medical jurisprudence examination.

The bill would prohibit TMB from issuing a license to an applicant who:

- was discharged or separated from the U.S. Armed Forces on the basis of conduct or dereliction;
- held a medical license or a license to prescribe, dispense, administer, supply, or sell a controlled substance that was under active investigation or was subject to a disciplinary order; or
- had been convicted of, was on deferred adjudication community supervision or deferred disposition for, or was under active investigation for the commission of a felony or a misdemeanor offense involving moral turpitude.

Foreign license holders. The bill would require TMB to issue an initial provisional license to practice medicine to an applicant who:

- had been granted a degree of doctor of medicine or a substantially similar degree by a program of medical education that met eligibility requirements for the applicant to apply for certification by the Educational Commission for Foreign Medical Graduates;
- had been licensed in good standing to practice medicine in another country in the five years preceding the application and was not the subject of any pending disciplinary action;
- passed the Texas medical jurisprudence examination;
- had proficiency in English;
- was authorized to work in the United States;
- had been offered employment in this state as a physician by a person who provided health care services in the normal course of business in a facility-based or group practice setting; and
- met any other requirement TMB prescribed by rule.

Additionally, an applicant would be required to have either:

- completed a residency or a substantially similar postgraduate medical training and practiced medicine as a licensed physician in

another country for at least five years after the completion of the required postgraduate medical training; or

- if the applicant's country of licensure did not require postgraduate medical training, practiced medicine as a licensed physician in another country for at least 10 years after completing medical school.

The bill would require the holder of a provisional license to practice only in a facility-based or group practice setting with an Accreditation Council for Graduate Medical Education residency program or American Osteopathic Association residency program, an Accreditation Council for Graduate Medical Education-affiliated setting, or an American Osteopathic Association-affiliated setting.

A provisional license would expire on the second anniversary of the date the license was issued. The bill would require TMB to renew a provisional license if the applicant had passed the first and second steps of the U.S. Medical Licensing Examination within three attempts and held a valid certificate issued by the Educational Commission for Foreign Medical Graduates.

The bill would require the holder of a renewed provisional license to practice only in a rural community or medically underserved area or health professional shortage area, as designated by the U.S. Department of Health and Human Services, that had a current shortage of physicians.

TMB would be required to issue a license to a provisional license holder if the holder had practiced under the provisional license for at least four of the preceding seven years and satisfied all conduct and license examination requirements.

The bill would require TMB to adopt rules for the issuance and renewal of provisional licenses.

Physician graduates. The bill also would require TMB to issue a limited license to practice medicine to certain medical school graduate applicants who:

- in the two years preceding the date that the applicant initially applied for a physician graduate license, graduated from a board-recognized accredited medical school or osteopathic medical school in the United States or Canada, or a medical school located outside of the United States and Canada that TMB recognized as acceptable; or
- if the applicant was licensed in good standing to practice medicine in another country, graduated from a medical school located outside of the United States and Canada that TMB recognized as acceptable.

TMB would be required to issue a limited license to practice medicine if the applicant:

- was a resident of this state and a U.S. citizen, a legal permanent resident, or otherwise authorized under federal law to work in the United States;
- had proficiency in English;
- had passed the first and second components of the U.S. Medical Licensing Examination or equivalent components of another TMB-approved licensing examination;
- was not enrolled in a board-approved postgraduate residency program; and
- met any other requirement prescribed by TMB rule.

Supervising practice agreements. In order to practice medicine in this state, a physician graduate would be required to enter into a supervising practice agreement with a sponsoring physician. A physician graduate who entered into a supervising practice agreement could practice under the delegation and supervision of another physician if the practice was authorized by the sponsoring physician and the other physician met certain requirements.

Sponsoring physician. The bill would establish requirements for sponsoring physicians, and TMB would set the maximum number of

physician graduates that a sponsoring physician could supervise under supervising practice agreements.

The bill would require a sponsoring physician or physician graduate to indicate in the individual's physician profile that the individual had entered into a supervising practice agreement.

A sponsoring physician who entered into a supervising practice agreement with a physician graduate would retain legal responsibility for a physician graduate's patient care activities, including the provision of care and treatment to a patient in a health care facility.

Limited practice by license holder. A physician graduate could only provide medical services in the specialty in which the physician graduate's sponsoring physician was certified. Before providing medical services, the license holder would be required to disclose that the license holder was a physician graduate and had not completed any formal specialized postgraduate or resident training. The license holder would be required to at all times while practicing display a personal identification document identifying the holder as a physician graduate and would be permitted to use "doctor" titles or abbreviations.

License renewal. TMB could only renew a license for a physician graduate if TMB verified that the license holder had practiced in accordance with the bill under a supervising practice agreement with a sponsoring physician, and the license holder satisfied the continuing medical education requirements established by TMB rule.

TMB would be permitted to deny an application for licensure or suspend or revoke a license for any disciplinary actions and procedure violations.

The bill would require the amount of an issuance or renewal license fee to not exceed the issuance or renewal license fee for physician assistant licenses.

A physician graduate license holder would be considered a general practitioner for purposes of Medicare and Medicaid services. An insured patient could select a physician graduate to provide services scheduled in

the health insurance policy that were within the scope of the physician graduate's license.

CSHB 2038 would require TMB to adopt rules relating to the licensing and regulation of physician graduates, including: procedures and fees for the issuance, term, and renewal of a license; continuing medical education requirements; practices and requirements for supervision; and any other matter necessary to ensure protection of the public.

Rulemaking. TMB would be required to adopt rules to implement the bill by January 1, 2026.

The bill would take effect September 1, 2025.

NOTES:

According to the Legislative Budget Board, the bill would have a positive impact of $39,170 to general revenue related funds through the biennium.

SUBJECT: Prohibiting certain court-ordered counseling requirements

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 — Barbra Grimmer, Texas Council on Family Violence; Beatriz Saldivar; Jacqualin Seely (*Registered, but did not testify*: Sydney Baker, Buckner International; Bronwyn Blake, Texas Advocacy Project; Kristen Lenau, Texas Association Against Sexual Assault; Stephanie Battaglia, Texas CASA; Amy Bresnen, Texas Family Law Foundation; Rebecca Ramirez, The National Association of Social Workers - Texas Chapter; and 6 individuals)

Against — Charles Verdict

BACKGROUND: Family Code sec 153.010 allows a court, in suits affecting the parent-child relationship, to order a party to participate in counseling with a mental health professional meeting certain requirements if the court finds at the time of the hearing that the parties have a history of conflict in resolving an issue of conservatorship, possession of, or access to the child.

Concerns have been raised that, in certain suits affecting the parent-child relationship, court-ordered professionals could require, as part of a counseling program, the separation of a child from a primary caretaker for purposes of reunifying the child with an estranged parent. Some have suggested that prohibitions against such practices would protect children and families from the harms those therapies could cause.

DIGEST: CSHB 3783 would modify certain procedures regarding court-ordered counseling for suits affecting the parent-child relationship under Family Code sec 153.010. The bill would prohibit a court from ordering a party to participate in counseling as part of such a suit in which the person conducting the counseling required:

- the isolation of a child who was the subject of the suit from the child's family, school, religious community, other community, or other sources of support, including by prohibiting or preventing the child from contacting a parent or other family member;
- the child to stay overnight or for multiple days in an out-of-state location or other site, regardless of whether the child was accompanied by a parent or other family member;
- the transportation of the child to a location by force, threat of force, undue coercion, or other action that placed the child's safety at risk;
- a temporary or permanent change in the periods of possession of or access to the child to which a conservator of the child would otherwise be entitled; or
- the use of force, threat of force, undue correction, or verbal abuse against the child.

The bill would require a court to consider evidence of family violence or sexual abuse in determining whether to order a party to participate in counseling. If credible evidence of family violence or sexual abuse was presented, the court would be prohibited from ordering counseling in which a victim of the violence or abuse participated in shared counseling sessions with the perpetrator.

The bill also would amend training requirements for court-ordered professionals who offered counseling services by requiring such counselors to be trained in the dynamics of family violence rather than in domestic violence. The bill also would remove the authority of a court to order a party to a suit to pay the cost of such counseling.

CSHB 3783 would constitute a material and substantial change of circumstances sufficient to warrant modification of a court order or portion of a decree that provided for the possession of or access to a child rendered before the effective date of the bill.

The bill would apply only to a suit that was pending in a trial court on its effective date or was filed on or after that date. CSHB 3783 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.

SUBJECT: Establishing a grant program for ibogaine drug development trials

COMMITTEE: Public Health — favorable, without amendment

VOTE: 13 ayes — VanDeaver, Campos, Bucy, Collier, Cunningham, Frank, Johnson, J. Jones, Olcott, Pierson, Schofield, Shofner, Simmons

0 nays

WITNESSES: For — W. Bryan Hubbard, REID Foundation; Laurie Elsass, The R.E.I.D. Foundation; Chris Thompson, Brandon Bryan, Amber Capone, and Marcus Capone, Veterans Exploring Treatment Solutions; Mitch Fuller, VFW Dept of Texas; Marcus Luttrell; Dakota Meyer; Rocco Orlando; Chase Rowan; Achal Singh Achrol (*Registered, but did not testify*: Evan Autry, American Society of Ketamine Physicians, Psychotherapists & Practitioners; Houston Tower, Austin EMS Association; Jasmine Owen, Breakthrough Therapies Initiative; Logan Davidson, Grunt Style Foundation; Mackenzie Kelly, Meadows Mental Health Policy Institute; Christine Busse, NAMI Texas; Louie Sanchez, Texans For Greater Mental Health; David Reynolds, Texas Chapter American College of Physicians; Jim Brennan, Texas Coalition of Veterans Organizations; Clayton Stewart, Texas Medical Association; Garrett Coppedge, Veterans Mental Health Leadership Coalition; Jack Barcroft; Jo Cassandra Cuevas; Kacee Jackson; AnneClaire Stapleton)

Against — (*Registered, but did not testify*: Lee Spiller, Citizens Commission on Human Rights; Timothy Mabry)

BACKGROUND: Some have suggested that state support for FDA-approved trials of the psychedelic compound ibogaine as a treatment option for opioid use disorder could help advance ibogaine as a viable treatment and save lives.

DIGEST: HB 3717 would require the Health and Human Services Commission (HHSC) to establish and oversee a grant program to fund United States Food and Drug Administration (FDA) drug development trials for ibogaine, including applicant selection, trial oversight, and matching fund requirements.

Grant program. HB 3717 would require HHSC to establish and administer a grant program to fund a public-private partnership program that would pay for the costs of the FDA's ibogaine drug development trials to secure the administration's approval as a medication for treatment of opioid use disorder, co-occurring substance use disorder, and any other neurological or mental health conditions for which ibogaine demonstrated efficacy.

Applications. HHSC would be required to prepare and issue a notice of funding opportunity to solicit applications for the grant program. An applicant could apply to HHSC in the form and manner prescribed by HHSC for a grant.

To be eligible for a grant, an applicant would have to be a for-profit, nonprofit, or public benefit corporate entity that had the requisite organizational and financial capacity to:

- conduct the FDA's drug development trials to secure the administration's approval;
- seek FDA approval; and
- conduct future drug development trials.

An applicant also would have to provide the following to be eligible for a grant:

- the strategy plan for obtaining FDA approval;
- a detailed drug development trial design that included certain information outlined in the bill;
- a proposal to recognize Texas' commercial interest in all patentable intellectual property generated during the trial, including certain information specified in the bill;
- a plan to establish a corporate presence in Texas and to promote and maintain the ibogaine-related biomedical lifecycle in Texas;
- a plan to secure third-party payor approval through private insurers, Medicare, Medicaid and the TRICARE program of the United States Department of Defense;
- a plan to ensure ibogaine treatment access to uninsured individuals;

- a plan to train and credential medical providers to administer ibogaine treatment; and
- financial disclosures that verified the applicant's capacity to fully match state funding.

HHSC would be required to make the application available and announce a period of at least 90 days during which applicants could submit an application.

Selection committee. HHSC would be required to create a selection committee and select the number of members for the committee. The committee would be composed of subject matter experts, philanthropic partners, and legislative designees.

The selection committee would review applications, communicate supplemental inquiries to applicants, and recommend to HHSC the best applicants to conduct the drug development trials. HHSC would have to consider the selection committee’s recommendations when selecting the applicant to conduct the drug development trial.

Establishing the trial. On notification from HHSC that the applicant was selected, the applicant would have to, as soon as practicable, submit an investigational new drug (IND) application with the FDA and seek a breakthrough therapy designation for ibogaine from the FDA under federal provisions related to expediting approval of drugs for serious or life-threatening diseases or conditions.

On approval of the applicant's IND application by the FDA, HHSC would have to, in consultation with the applicant, establish drug development trial sites that were equipped and staffed to provide cardiac intensive care services to patients.

Conducting the trial. As soon as practicable after drug development trial sites were established, the applicant would have to begin a trial to administer treatment with ibogaine.

HHSC, in consultation with the selection committee, would be required to select an institutional review board with a presence in this state to oversee

and verify trial research activity for scientific validation and authentication under FDA requirements.

If the ibogaine treatment demonstrated efficacy during the drug development trial, the applicant would be required to request a designation under federal provisions that expedite approval of drugs for serious or life-threatening conditions.

Funding. HHSC could use money appropriated to HHSC and money received as a gift, grant, or donation to pay for a grant. HHSC could solicit and accept gifts, grants, and donations of any kind and from any source for purposes of these provisions.

An applicant selected to perform a drug development trial would have to contribute toward the cost of developing the ibogaine treatment an amount at least equal to the amount that the applicant received in the form of a grant from HHSC.

If before implementing any provision of the bill a state agency determined that a waiver or authorization from a federal agency was necessary, the agency would have to request the waiver or authorization and could delay implementing that provision until the waiver or authorization was granted.

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.

NOTES: The Legislative Budget Board could not determine the fiscal implications of the bill due to the unknown cost related to the grant funding needs required to conduct the drug development trials.

SUBJECT: Requiring official percentages in certain election result reports

COMMITTEE: Elections — favorable, without amendment

VOTE: 8 ayes — Shaheen, Bucy, Isaac, Morales Shaw, Plesa, Swanson, Toth, Wilson

0 nays

1 absent — Raymond

WITNESSES: For — Ed Johnson, Harris County Ballot Security; Kathy Haigler (*Registered, but did not testify*: Debbie Lindstrom, Citizens Defending Freedom; Katherine Cano; Russell Hayter)

Against — None

On — (*Registered, but did not testify*: Christina Adkins, Texas Secretary of State)

BACKGROUND: Some have suggested that including an official percentage of votes for each respective election result in certain reports and tabulations could prevent errors that may occur when elected officials tabulate percentages from raw data.

DIGEST: HB 2316 would require the inclusion of each candidate's percentage of the total number of votes received by all candidates for each office in:

- the precinct results report delivered to the secretary of state by the county clerk;
- the periodic and final reports by the secretary of state of a primary, runoff primary, or general election; and
- the unofficial tabulation of precinct results by a central counting station authority.

The bill would take effect September 1, 2025.

SUBJECT: Requiring certain retired officers' identification cards to include rank

COMMITTEE: Homeland Security, Public Safety & Veterans' Affairs — favorable, without amendment

VOTE: 10 ayes — Hefner, R. Lopez, Canales, Cortez, Dorazio, Hickland, Holt, Isaac, McLaughlin, Pierson

0 nays

1 absent — Louderback

WITNESSES: For — CJ Grisham (*Registered, but did not testify*: Jennifer Szimanski, Combined Law Enforcement Associations of Texas (CLEAT); James Kershaw, Harris County Deputies' Organization FOP #39; Brian Hawthorne, Sheriffs' Association of Texas (SAT); Scott Rubin, Texas Police Chiefs Association; Bryan Flatt, TMPA)

Against — None

BACKGROUND: Government Code secs. 614.124 and 614.1241 require the law enforcement agency or other governmental entity that last employed an honorably retired peace officer or qualified retired law enforcement officer who held a certificate of weapons proficiency to, at the officer's request, issue to the officer an identification card including specified information.

Concerns have been raised that an honorably retired peace officer or a qualified retired law enforcement officer's last rank or position at the time of retirement is not included on identification cards issued by the officer's agency. Some have suggested that the retired officers should have their rank included in their ID cards.

DIGEST: HB 3638 would add the last rank or position held by a retired officer to be included on an identification card issued under Government Code sec. 614.124(b) or 614.1241(b).

HB 3686 would take effect September 1, 2025.

SUBJECT: Establishing the CIPBM Self-Insurance Program and Pool

COMMITTEE: Insurance — committee substitute recommended

VOTE: 9 ayes — Dean, Vo, J. González, Goodwin, Hopper, Morgan, Paul, Spiller, Wharton

0 nays

WITNESSES: For — Justin Penick (*Registered, but did not testify*: Paige Holbrooks, Texas & Southwestern Cattle Raisers Association; Rob Hughes, Joe Morris, Texas Forestry Association)

Against — None

On — (*Registered, but did not testify*: Jason Keiningham, William 'Andy' McCrady, Texas A&M Forest Service; Marianne Baker, Texas Department of Insurance)

BACKGROUND: Some have suggested that increasing the availability of liability insurance to certified and insured prescribed burn managers (CIPBMs) could help encourage more individuals to become CIPBMs and increase the capacity of existing CIPBMs, who are needed to carry out prescribed burns on private land to maintain wildlife habitats, land management, agricultural production, and wildfire risk mitigation.

DIGEST: CSHB 2563 would establish the Certified and Insured Prescribed Burn Manager (CIPBM) Self-Insurance Pool and the CIPBM Self-Insurance Program.

CIPBM Self-Insurance Program. The Texas A&M Forest Service would be required to administer a CIPBM Self-Insurance Program that:

- identified and evaluated risks arising from prescribed burns;
- maintained a loss-prevention and loss-control program to reduce risks arising from prescribed burns;
- consolidated and administered prescribed burn risk management and self-insurance programs; and

- provided prescribed burn self-insurance coverage in accordance with the bill.

The Forest Service could employ staff, and the director of the Service could adopt rules to implement and administer the program.

The CIPBM Self-Insurance Program would have to administer the self-insurance pool to provide general liability coverage for CIPBMs who were residents of Texas. The coverage would have to indemnify a participating CIPBM for liability arising from a prescribed burn, and coverage limits would have to be the minimum amounts required by prescribed burning insurance provisions.

The self-insurance pool could not provide coverage for a risk other than prescribed burning conducted by a participating CIPBM, including workers' compensation, auto liability, and professional liability. Coverage could be funded only from money available from the self-insurance fund established by the bill.

The Texas A&M Forest Service director would be permitted to recommend requirements for participation in coverage and equipment and safety standards for prescribed burns that would be covered.

To participate in coverage, a CIPBM would have to submit a written request to the program in the form and manner prescribed by the Forest Service. The director would be required to approve the request for participation of the CIPBM to be covered if it was appropriately certified.

As a condition for continuing participation in coverage, a participating CIPBM would be required to complete a wildfire suppression course offered or sanctioned by the Forest Service that trained the CIPBM on proper coordination with this state or local fire departments in the event that a prescribed burn escaped its predetermined boundaries, and that trained the CIPPBM on proper assistance in the suppression of a naturally occurring wildfire. The Forest Service would be required to develop the course in compliance with the minimum standards for prescribed burn manager certification and maintain records of a participating CIPBM's completion of the course.

Temporary CIPBM Self-Insurance Fund. The CIPBM Self-Insurance Fund would be an account in a depository selected by the Texas A&M

University System Board of Regents for funds subject to the control of institutions of higher education. The fund would be composed of an amount not to exceed $25 million appropriated by the legislature, money collected from self-insurance fees, and interest accruing on money in the fund. The fund could be spent only for funding self-insurance under the CIPBM Self-Insurance Program or administering the bill, including paying salaries and expenses of staff for the program and the fund.

The state's liability for all losses covered by CIPBM self-insurance would be limited to the assets of the fund, and the state would not otherwise be liable for those losses.

The Forest Service could assess and collect a reasonable fee from participating CIPBMs to provide self-insurance coverage under the bill. The service would be required to establish reasonable cost-sharing requirements, including appropriate deductibles. In establishing the amount of the fee and the cost-sharing requirements, the service would have to consider the amount that could be charged to the CIPBM for similar insurance coverage provided to that CIPBM and ensure that a deductible would be sufficiently high to deter the use of the self-insurance coverage for minor losses and ensure that the self-insurance coverage was used only for significant losses. The service would be required to adjust the amount of a premium for self-insurance overage by using information collected under prescribed burn data collection.

A participating CIPBM would be required to report the following information for each prescribed burn the CIPBM conducted:

- the amount of land burned in acres by county;
- the date of the burn; and
- whether the burn resulted in a financial loss or wildfire response.

If the Forest Service determined that a participating CIPBM had made excessive claims under self-insurance coverage, the service could terminate the CIPBM's participation in the self-insurance pool or refer the CIPBM to the Prescribed Burning Board for disciplinary action.

The Forest Service could employ an attorney to represent a CIPBM in a liability action for which insurance coverage was provided, but the attorney general could not provide these services.

The bill would expire September 1, 2040, on which date the remaining balance in the CIPBM Self-Insurance Fund that was not needed to pay claims would be transferred to the statewide fire contingency account.

The bill would take effect September 1, 2025.

NOTES:

According to the Legislative Budget Board, the fiscal implications of CSHB 2563 cannot be determined due to a lack of data on prescribed burn losses by Texas prescribed burn managers and the number of prescribed burn managers that would participate in the program being unknown.

SUBJECT: Establishing FIA World Endurance Championship MERP eligibility

COMMITTEE: Culture, Recreation & Tourism — favorable, without amendment

VOTE: 7 ayes — Metcalf, Flores, DeAyala, Kerwin, Orr, Vasut, Ward Johnson

0 nays

2 absent — Cole, Martinez Fischer

WITNESSES: For — Anna Panossian, Circuit of the Americas; Matthew Patton (*Registered, but did not testify*: Jeremy Martin, Austin Chamber of Commerce; Matt Creel, Opportunity Austin; Justin Bragiel, Texas Hotel & Lodging Association; Ron Hinkle, Texas Travel Alliance)

Against — None

On — (*Registered, but did not testify*: Terry Zrubek, Office of the Governor, Economic Development and Tourism Office)

BACKGROUND: Some have suggested that extending eligibility for funding under the Major Events Reimbursement Program to a Federation Internationale de l'Automobile World Endurance Championship automobile race would ensure Texas captured the maximum economic benefits from the event.

DIGEST: HB 3883 would make a Federation Internationale de l'Automobile World Endurance Championship international automobile race eligible for funding under the Major Events Reimbursement Program.

The bill would take effect September 1, 2025.

SUBJECT: Establishing civil liability protections for oil or gas emergency responders

COMMITTEE: Energy Resources — committee substitute recommended

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

0 nays

1 absent — Dean

WITNESSES: For — Vance Long, WaterBridge (*Registered, but did not testify*: Joshua Sanders, City of Houston; Jimmy Carlile, Fasken Oil and Ranch; Cyrus Reed, Lone Star Chapter Sierra Club; Jay Allison, Milestone Environmental Services; Travis McCormick, Panhandle Producers & Royalty Owners Association; Ben Shepperd, Permian Basin Petroleum Association; Caleb Troxclair, Texas Alliance of Energy Producers; Trace Finley, Texas Independent Produced Water Association; Ryan Paylor, Texas Independent Producers & Royalty Owners Association (TIPRO); Tulsi Oberbeck, Texas Oil and Gas Association; Thure Cannon, Texas Pipeline Association)

Against — None

On — (*Registered, but did not testify*: Julie Range, Commission Shift Action; Scott Larson, Railroad Commission of Texas)

BACKGROUND: Concerns have been raised that environmental hazards from underground injection wells can be difficult to address quickly due to liability concerns from oil and gas companies. Some have suggested that creating limited immunity from civil liability for companies that provide voluntary emergency assistance could help ensure faster and more effective responses.

DIGEST: CSHB 4021 would authorize the executive director of the Railroad Commission of Texas (RRC) to declare an oil or gas emergency by written proclamation. An oil or gas emergency would be defined as an

emergency related to an oil and gas operation, including the uncontrolled release of oil, gas, or produced water from an oil or gas well or other type of well regulated by the RRC. An emergency proclamation would have to include a description of the nature of the oil or gas emergency and a designation of the area threatened by the oil or gas emergency.

A proclamation could remain in effect for no more than 30 days unless renewed. The executive director could renew the proclamation in the same manner as an initial proclamation for an additional 30 days. If the RRC determined the emergency was likely to continue beyond 60 days, the RRC could renew the proclamation for additional 60-day periods as necessary for public health and safety until the emergency ended.

If the RRC determined that an oil or gas emergency had ended, the RRC could terminate the proclamation or allow the proclamation to expire.

Except in the case of gross negligence, recklessness, or intentional misconduct, a person would be immune from civil liability for an act or omission that occurred in giving assistance, advice, or resources, including the use of the person's assets, employees, or contractors, in response to a declared oil or gas emergency, provided the actions were taken at the request of an authorized representative of a state, local, or federal agency. This immunity would be in addition to any other immunity or limitations of liability provided by law.

The bill would take effect September 1, 2025, and apply only to a cause of action that accrued on or after the effective date of the bill.

SUBJECT: Exempting unemployment fraud detection information from disclosure

COMMITTEE: Trade, Workforce & Economic Development — committee substitute recommended

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

0 nays

1 absent — Meza

WITNESSES: For — (*Registered, but did not testify*: T. J. Patterson, City of Fort Worth; Nadia Islam, City of San Antonio; Alison Brock, Texas Association of School Boards)

Against — None

On — Jason Stalinsky, Texas Workforce Commission (*Registered, but did not testify*: Thomas Parkinson)

BACKGROUND: Concerns have been raised that releasing certain Texas Workforce Commission fraud detection information could lead to the exploitation or bypassing of fraud detection systems. Some have suggested that exempting this information from disclosure would help protect the integrity of the state's unemployment fraud prevention efforts.

DIGEST: CSHB 2788 would establish that certain fraud detection information was not public information for purposes of the Public Information Act and was excepted from certain availability of public information requirements.

CSHB 2788 would define "fraud detection information" to include risk assessments, reports, data, protocols, technology specifications, manuals, instructions, investigative materials, crossmatches, mental impressions, and communications, that may reveal the methods or means by which the Texas Workforce Commission prevents, investigates, or evaluates fraud in its administration of the unemployment compensation system.

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.

SUBJECT: Amending requirements for affirmations made by certain well operators

COMMITTEE: Energy Resources — committee substitute recommended

VOTE: 9 ayes — Darby, E. Morales, Dean, Dyson, J. Garcia, Gates, Gerdes, Reynolds, Rosenthal

0 nays

2 absent — Craddick, Guerra

WITNESSES: For — Craig Cowden, Dale Smith, Texas & Southwestern Cattle Raisers Association; Karr Ingham, Texas Alliance of Energy Producers; Jennifer Owen, Texas Land & Mineral Owners Association (*Registered, but did not testify*: Jerrod Jones, Apache Corporation; Chris Hosek, BP; Julie Williams, Chevron; Julie Range, Commission Shift Action; Teddy Carter, Devon Energy; Colin Leyden, Environmental Defense Fund; Jimmy Carlile, Fasken Oil and Ranch; Cyrus Reed, Lone Star Chapter Sierra Club; Jack Fleet, NARO Texas; Michael D. Lozano, Permian Basin Petroleum Association; Charles Maley, South Texans' Property Rights Association; Gabriela Perdichizzi, Texas Association of Business; Blake Roach, Texas Farm Bureau; Sarah Berel-Harrop; Liza Binkley; ANITA KNIGHT; Glenda Pittman; Molly Smith)

Against — None

On — (*Registered, but did not testify*: David Lindley and Scott Larson, Railroad Commission)

BACKGROUND: Concerns have been raised about the risk of wildfires caused by deteriorating electrical infrastructure at inactive oil and gas wells. Some have suggested that closing a regulatory gap between the Public Utility Commission and the Railroad Commission would help improve oversight, ensure the safe removal of hazardous equipment, and improve site safety.

DIGEST: CSHB 2663 would specify that, if an operator did not own the surface of the land on which a well was located and the well had been inactive for at

least 10 years as of the date of renewal of the operator’s organization report, an application for an extension of the deadline for plugging an inactive well would have to include in the operator’s written affirmation, a statement that all equipment associated with providing electric service to the well’s production site had been removed, except for equipment owned by an electric utility.

The bill would authorize the Railroad Commission of Texas (RRC) to impose an administrative penalty of up to $25,000 per violation on a person who submitted an affirmation but failed to terminate electric service to the well's production site or failed to remove all applicable equipment and materials in accordance with the affirmation.

The bill would apply to an application for an extension of the deadline for plugging an inactive well filed with the RRC 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.

SUBJECT: Creating a health care provider participation program in certain counties

COMMITTEE: Intergovernmental Affairs — committee substitute recommended

VOTE: 8 ayes — C. Bell, Zwiener, Cortez, Leo Wilson, Luther, Rosenthal, Spiller, Tepper

1 nay — Lowe

2 absent — Cole, Garcia Hernandez

WITNESSES: For — John Hawkins, Texas Hospital Association (*Registered, but did not testify*: Lauren Billman, Baylor Scott & White Health; Michaela Bennett, Children's Health; Christina Hoppe, Children's Hospital Association of Texas; Adam Haynes, Conference of Urban Counties; Rick Thompson, County Judges and Commissioners Association of Texas; Ben Stratmann, Dallas Regional Chamber; Marcus Mitias, Texas Health Resource)

Against — None

BACKGROUND: Some have suggested that the local provider participation fund for certain counties should be extended to continue to provide resources for indigent care by drawing down federal funds.

DIGEST: CSHB 3305 would establish a county health care provider participation program in certain counties that were not served by a hospital district, had a population of one million or more, contained all or part of a municipality with a population of one million or more, and were adjacent to a county with a population of 2.5 million or more.

The commissioners court of an eligible county could authorize participation in the program, subject to limitations provided by the bill. The commissioners court also could adopt rules related to any administrative aspect of the program, including the collection of mandatory payments, expenditures, and audits.

To participate in the program, a county would have to collect a mandatory payment from each institutional health care provider located in the county to be deposited in a local provider participation fund established by the county. This mandatory payment could only be required in the manner provided by the bill.

The authority of the county to administer and operate a program would expire December 31, 2030.

Mandatory payments. The bill would allow a participating county's commissioners court to authorize the collection of an annual mandatory payment with an affirmative vote of a majority of the court's members. The commissioners court would be subject to certain mandatory payment requirements, such as providing written notice, ensuring payments were proportionate, and setting payments at sufficient levels to cover costs. A paying provider could not add the cost of the payment as a surcharge to a patient.

Assessment and collection. The mandatory payment would be assessed on the net patient revenue of each institutional health care provider located in the county. The commissioners court could provide for the mandatory payment to be assessed quarterly following certain requirements. The county could only assess and collect a mandatory payment if a waiver program, uniform rate enhancement, or certain reimbursement mechanisms were made available.

The county could not collect mandatory payments to raise general revenue or any amount in excess of the amount reasonably necessary to fund the nonfederal share of a Medicaid supplemental payment program or Medicaid managed care rate enhancements for nonpublic hospitals and to cover the administrative expenses of the county.

The county could assess and collect mandatory payments itself or through a contractor, who could charge a collection fee. If a county official performed the collection, any collected fee would have to be deposited into the county's general fund.
To the extent that the bill caused a mandatory payment to be ineligible for federal matching funds, the commissioners court could provide by rule for

an alternative provision or procedure that conformed to the federal Centers for Medicare and Medicaid Services requirements. A rule could not be adopted for this purpose if it would create, impose, or materially expand the legal or financial liability or responsibility of the county or an institutional health care provider located in the county beyond what was authorized by the bill.

Required hearing. The commissioners court would be required to hold a public hearing each year that it authorized a mandatory payment to discuss the amounts of any mandatory payments that the county intended to require during the year and how the revenue derived from those payments was to be spent. By the fifth day before the date of the hearing, the commissioners court would be required to have published notice of the hearing in a newspaper of general circulation and provided written notice to each institutional health care provider located in the county. A representative of a paying provider would be entitled to appear at the public hearing and be heard on any matter related to the mandatory payments.

Local provider participation fund. A county that required a mandatory payment would be required to create a local provider participation fund that consisted of:

- all revenue received by the county attributable to mandatory payments;
- money received from the Health and Human Services Commission (HHSC) as a refund of an intergovernmental transfer from the county to the state for the purpose of providing the nonfederal share of Medicaid supplemental payment program payments, provided that the intergovernmental transfer did not receive a federal matching payment; and
- the earnings of the fund.

Money deposited into the county's local provider participation fund could only be used to:

- fund intergovernmental transfers from the county to the state to provide the nonfederal share of Medicaid payments for certain

costs, including uncompensated care costs, uniform rate enhancements, waiver payments, or other reimbursements;
- pay the administrative expenses of the county in administering the program, including collateralization of deposits;
- refund all or a portion of a mandatory payment collected in error from a paying provider;
- refund to paying providers their proportionate share of any funds received from HHSC that were unused or deemed unusable for the nonfederal share of Medicaid supplemental payment programs; and
- transfer funds to HHSC if the county was legally required to transfer the funds to address a disallowance of federal matching funds with respect to any intergovernmental transfers.

For an intergovernmental transfer of funds made by the county, any funds received by the state, county, or other entity as a result of the transfer could not be used to expand Medicaid eligibility under the Patient Protection and Affordable Care Act or fund the nonfederal share of payments to nonpublic hospitals available through the Medicaid disproportionate share hospital program.

Money in the local provider participation fund could not be commingled with other county money.

Depository. The commissioners court of a participating county would be required to designate one or more banks as the depository for the county's local provider participation fund. All income received by the county would be deposited with the depository in the county's local provider participation fund and could be withdrawn only as provided for under the bill. All money collected would be secured in the manner provided for securing other county money.

General provisions. The bill would establish relevant definitions for "institutional health care provider," "paying provider," and "program."

If a commissioners court authorized a county to participate in a program, the commissioners court would have to require that each institutional health care provider submit to the county a copy of any financial and utilization data required by and reported to the Department of State Health

Services as well as certain rules adopted by the executive commissioner HHSC.

As soon as practicable after the expiration of the authority of a county to administer and operate a health care provider participation, the county's commissioners court would be required to transfer to each institutional health care provider in the county that provider's proportionate share of any remaining funds in any local provider participation fund.

If before implementing the bill a state agency determined that a waiver or authorization from a federal agency was necessary, the agency would be required to request the waiver or authorization and could delay implementation until the waiver or authorization was granted.

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.

SUBJECT: Establishing planning requirements for youth workforce programs

COMMITTEE: Trade, Workforce & Economic Development — committee substitute recommended

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

0 nays

1 absent — Lujan

WITNESSES: For — Shannon Epner, Big Thought; Caroline Roberts, Children at Risk; Fedora Galasso, Texas Network of Youth Services (*Registered, but did not testify*: Andrea Sparks, Buckner International; Courtney Chavez, Lone Star Justice Alliance; Kate Murphy, Texans Care for Children; Grace Atkins, Texas 2036; Mike Meroney, Texas Association of Manufacturers; Carl Isett, Texas Licensed Child Care Association; Julie Wheeler, Travis County Commissioners Court; Stephanie O'Banion, United Ways of Texas)

Against — None

On — (*Registered, but did not testify*: Mary York, Texas Workforce Commission)

BACKGROUND: Concerns have been raised that Texas has a disproportionate number of youth who are disengaged from both school and employment opportunities. Some have suggested that revising requirements related to workforce development programs could help improve financial transparency and better prepare youth for the evolving job market.

DIGEST: CSHB 3173 would establish planning and evaluation requirements for youth-focused workforce development activities and would create a notification process for the coordination of government entity incentives and local workforce planning.

CSHB 3173 would amend provisions for local plans adopted by local workforce development boards under the Workforce Investment Act to require that the plans establish specific goals, objectives, and performance measures for individuals aged 14 through 24 years old.

A governmental entity that approved a financial incentive projected to create at least 100 new employment opportunities would be required to notify the Texas Workforce Commission (TWC) and any local workforce development boards in a workforce development area where the financial incentive was distributed within 30 days after the financial incentive was approved. The notice would have to include the estimated number of new job opportunities, estimated start dates for each new job opportunity, and a description of the associated skills and training necessary for each new job created by the financial incentive.

CSHB 3173 would require TWC to annually evaluate the effectiveness of the commission's federally funded youth workforce programs and the best practices for local workforce development boards to meet employers' workforce needs and provide development services to individuals aged 14 through 24. The evaluation would be have to include a calculation of the total percentage of workforce funds spent annually through TWC's federally funded youth programs on efforts to:

- increase employment amongst youth between ages 14 and 24;
- reenroll such youth who have dropped out of a public or open-enrollment charter school; and
- facilitate the participation of such youth in postsecondary education, technical education, or the military.

A calculation for how many individuals in this age range that were successfully assisted in reenrollment or participation in postsecondary education, technical education, or the military also would have to be included in the evaluation.

The evaluation also would have to include:

- measurements for each local workforce development area regarding how many youth between ages 14 and 24 were eligible for and received workforce development services;
- the total number of workforce development service providers serving such youth;
- assessments of how local boards were addressing employer needs; and
- examples of coordination with schools, colleges, state agencies, and private employers.

The commission would be required to make its findings available to local workforce development boards, employers, colleges, school districts, charter schools, and the public, and would have to submit a report to the Legislature by January 15 of each odd-numbered year. The report would have to include youth employment outcomes by region, trend analysis, and recommendations for legislative or regulatory actions.

The bill would take effect September 1, 2025.

SUBJECT: Modifying state public retirement systems evaluation requirements

COMMITTEE: Pensions, Investments & Financial Services — committee substitute recommended

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

0 nays

1 absent — Vo

WITNESSES: For — (*Registered, but did not testify*: Sally Bakko, City of Galveston; Tyler Grossman, El Paso Firemen and Policemen's Pension Fund; Raif Calvert, Texas Association of School Boards; Beaman Floyd, Texas Association of School Administrators)

Against — None

On — Amy Cardona, Pension Review Board (*Registered, but did not testify*: Caasi Lamb, Teacher Retirement System of Texas)

BACKGROUND: Government Code sec 802.109(d) establishes the frequency with which an investment practices and performance evaluation of a public retirement system is required. Under sec. 802.109 (d), A public retirement system is required to conduct an evaluation:

- once every three years, if the total assets of the system as of the last day of the preceding fiscal year were at least $100 million; and
- once every six years, if the total assets of the system as of the last day of the preceding fiscal year were between $30 million and $100 million.

Sec. 802.109 (e) exempts retirement systems from evaluation if their total assets as of the last day of the preceding fiscal year were less than $30 million.

Some have suggested that requirements surrounding investment practices and performance evaluations of public retirement systems should be updated and clarified to improve consistency and predictability for these systems.

DIGEST:

CSHB 3474 would require the State Pension Review Board to prescribe a schedule of deadlines by which public retirement systems would have to conduct an evaluation of the system's investment practices and performance by January 1, 2026.

The bill would amend Government Code sec 802.109(d) to change the date on which the total amount of a system's assets was determined from the last day of the preceding fiscal year to the date of the preceding evaluation for purposes of determining evaluation frequency. The frequency of an evaluation also would have to be in accordance with the schedule of deadlines prescribed by the review board. For systems whose total asset value did not warrant an evaluation, the total asset amount would be determined on the last day of the fiscal year immediately preceding the next evaluation deadline under the established evaluation schedule.

The bill would require a system that was conducting evaluations every six years, if the system's total amount of assets increased to $100 million during a fiscal year, to complete its next evaluation by the next appropriate deadline, as determined by the review board, under the evaluation schedule.

A system subject to an evaluation requirement under Government Code sec 802.109(d) would remain subject to the same evaluation requirement unless both the total assets and the total pension liability of the system decreased to an amount below the minimum amount prescribed by the applicable requirement.

CSHB 3474 would remove the filing periods and deadlines prescribed for certain requirements related to draft submission and filing of the evaluation report with the retirement system by an independent firm and submission of the final report to the review board by a retirement system.

The bill would take effect September 1, 2025.

SUBJECT: Establishing college tuition and fee exemptions for certain paramedics

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 10 ayes — Wilson, Howard, A. Davis, Lalani, Lambert, V. Perez, Shaheen, Shofner, VanDeaver, Ward Johnson

0 nays

1 absent — Tinderholt

WITNESSES: For - James Monks, Austin EMS Association (*Registered, but did not testify*: Rick Ramirez, City of Austin; Joshua Sanders, City of Houston; Adam Haynes, Conference of Urban Counties; Rick Thompson, County Judges and Commissioners Association of Texas; Clay Avery, SAFE-D, the Texas State Association of Fire and Emergency Districts; Leonard Aguilar, Texas AFL-CIO; Randy Cain, Texas Fire Chiefs Association)

Against – None

BACKGROUND: Some have suggested that paramedics should be eligible to take college courses for certain emergency preparedness for free.

DIGEST: HB 1105 would require a higher education institution's governing board to exempt from the payment of tuition and laboratory fees any student enrolled in one or more courses offered as part of an emergency medical services curriculum who was employed as a paramedic by a political subdivision of the state. A student who received an exemption for a semester or term could continue to receive the exemption for a subsequent semester or term at any institution only if the student made satisfactory academic progress toward a degree or certification at that institution for financial aid.

An exemption would not apply to:

- deposits that could be required in the nature of security for the return or proper care of property loaned for student use.

- any amount of additional tuition that the institution elected to charge a resident undergraduate student for repeated or excessive undergraduate hours;
- any amount of tuition the institution charged a graduate student in excess of the amount charged to similarly situated graduate students because the student had a certain number of excess semester credit hours of doctoral work.

An institution's governing board would not be required to provide an exemption for a course offered exclusively through distance education to a number of students enrolled in the course in excess of 20 percent of the maximum student enrollment designated by the institution for that course.

The Texas Higher Education Coordinating Board would be required to adopt a uniform listing of degree programs covered by the exemption and rules governing the granting or denial of an exemption, including rules:

- prescribing the educational attainment or level of certification necessary to qualify for an exemption as a paramedic;
- relating to the determination of a student's eligibility for an exemption; and
- relating to the exclusion of a distance education course.

The bill would apply beginning with the 2025 fall semester and 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.

SUBJECT: Authorizing voluntary disclosure of military status in vehicle registration

COMMITTEE: Homeland Security, Public Safety & Veterans' Affairs — favorable, without amendment

VOTE: 11 ayes — Hefner, R. Lopez, Canales, Cortez, Dorazio, Hickland, Holt, Isaac, Louderback, McLaughlin, Pierson

0 nays

WITNESSES: For — Ronny New, Southside Wrecker; Gary Hoffman, Tow King; Brian Walters (*Registered, but did not testify*: CJ Tredway, Texas Towing & Storage Association; William West, The American Legion, Dept of Texas; Mitch Fuller, VFW Dept of Texas)

Against — None

On — (*Registered, but did not testify*: Annette Quintero, Texas Department of Motor Vehicles)

BACKGROUND: Concerns have been raised that vehicle storage facilities' lack of ability to identify vehicles owned by U.S. Armed Forces members can impede these facilities' ability to comply with the Servicemembers Civil Relief Act. Some have suggested that allowing a person to disclose military status during vehicle registration voluntarily could help the Texas Department of Motor Vehicles identify service members within its vehicle registration records.

DIGEST: HB 3531 would require the Texas Department of Motor Vehicles (TxDMV), when a person registered or renewed the registration of a motor vehicle, to provide the person with the option to indicate whether the person is a member of the U.S. Armed Forces. If a person indicated at such time that the person is a U.S. Armed Forces member, TxDMV would be required to include that military status:

- in TxDMV's vehicle registration records for the applicable vehicle; and

- with any record information released by TxDMV relating to those records, including a report issued by TxDMV for the vehicle.

The bill would take effect September 1, 2025.

NOTES:

According to the Legislative Budget Board, it is assumed the agency would incur a one-time cost of $357,700 to the Texas Department of Motor Vehicles Fund No. 10 in fiscal year 2026 for programming changes to automated systems and applications.

SUBJECT: Allowing state agencies to hold closed meetings on internal audits

COMMITTEE: Delivery of Government Efficiency — favorable, without amendment

VOTE: 10 ayes — Capriglione, Bhojani, Alders, Bowers, Campos, Cook, Curry, L. Garcia, Olcott, Troxclair

1 nay — Tinderholt

2 absent — Cain, Rodríguez Ramos

WITNESSES: For — None

Against — (*Registered, but did not testify*: Steven Deline)

On — Chris Cirrito, Texas State Agency Internal Audit Forum

BACKGROUND: Concerns have been raised that, as currently written, the Open Meetings Act may limit state agencies' ability to discuss sensitive information regarding internal audits in a confidential setting needed to maintain the integrity and effectiveness of internal audits as an oversight mechanism.

DIGEST: HB 3490 would establish that the Open Meetings Act did not require the governing board of a state agency to conduct an open meeting to confer with or receive information from the agency's internal auditor about a matter the auditor determined would compromise the independence, effectiveness, or confidentiality of the agency's internal audit function if disclosed publicly. An agency also would not have to conduct an open meeting to deliberate such a matter if its internal auditor was present.

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.

SUBJECT: Raising threshold for public hearing for certain child-care licenses

COMMITTEE: Human Services — committee substitute recommended

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

0 nays

WITNESSES: For — Shawn Reynolds, TPCA (*Registered, but did not testify*: James Parnell, Dallas Police Association; Scott Rubin, Texas Police Chiefs Association)

Against — None

On — Audrey O'Neill, DFPS Resource Witness; Rachel Ashworth-Mazerolle, Health and Human Services Commission

BACKGROUND: Concerns have been raised that some counties do not receive sufficient notice or opportunity to provide feedback before the state issues licenses to operate or expand certain residential child-care facilities. Some have suggested raising the population threshold for public hearing requirements to allow for greater local input on the availability of community resources and the potential impact of these facilities.

DIGEST: CSHB 3597 would raise from 300,000 to 500,000 the county population threshold below which certain public notice and hearing requirements apply to applicants for a license or certificate to operate or expand a general residential operation, a cottage home operation, or a continuum-of-care residential operation located in such a county.

The bill also would make certain conforming changes by replacing references to the Department of Family and Protective Services (DFPS) with references to the Health and Human Services Commission (HHSC) as the agency responsible for issuing the license and conducting required hearings after notifying the agency of the date, time, and location of the hearing.

The bill would take effect September 1, 2025.

SUBJECT: Establishing a statewide plan to improve health literacy

COMMITTEE: Public Health — favorable, without amendment

VOTE: 13 ayes — VanDeaver, Campos, Bucy, Collier, Cunningham, Frank, Johnson, J. Jones, Olcott, Pierson, Schofield, Shofner, Simmons

0 nays

WITNESSES: For — Christine Yanas, Methodist Healthcare Ministries; Rachel Naylor, Texas Association for Health, Physical Education, Recreation, & Dance; Oralia Bazaldua (*Registered, but did not testify*: John Litzler, Baptist General Convention of Texas Christian Life Commission; Joshua Sanders, City of Houston; Michael Dole, Driscoll Health Plan; Katherine Strandberg, Every Body Texas; Ray Purser, Legacy Community Health; Maureen Milligan, Teaching Hospitals of Texas; Charles Miller, Texas 2036; Tom Banning, Texas Academy of Family Physicians; David Mintz, Texas Academy of General Dentistry; Jason Baxter, Texas Association of Health Plans; David Reynolds, Texas Chapter American College of Physicians; Jess Calvert, Texas Dental Association; Mackenzie Lyra, Texas Health Resources; Sara Gonzalez, Texas Hospital Association; Matt Dowling, Texas Medical Association; Clayton Travis, Texas Pediatric Society; Rachel Wolleben, Texas Women's Healthcare Coalition; Ashely Harris, United Ways of Texas; Kasey Corpus, Young Invincibles; Thomas Parkinson)

Against — None

On — Teresa Wagner (*Registered, but did not testify*: James Farris, Department of State Health Services)

BACKGROUND: Concerns have been raised that Texas lacks a coordinated statewide approach to address the issue of low health literacy, which can contribute to poor health outcomes and inefficient health care utilization by limiting patients' ability to understand, use, and communicate health information.

DIGEST:

HB 1295 would require the Texas Statewide Health Coordinating Council to develop a long-range plan for improving health literacy in Texas and update it at least once every two years. The bill would define "health literacy" as the degree to which an individual had the capacity to find, understand, and use health information and services to inform health-related decisions and actions.

The bill would require the council, in developing the plan, to study the economic impact of low health literacy on state health programs and health insurance coverage for Texas residents. The council would be required to:

- identify primary risk factors contributing to low health literacy;
- examine methods for health care practitioners, health care facilities, and other persons to address the health literacy of patients and other health care consumers;
- examine the effectiveness of using quality measures in state health programs to improve health literacy;
- identify strategies for expanding the use of plain language instructions for patients; and
- examine the impact of improved health literacy on enhancing patient safety, reducing preventable events, and increasing medication adherence to attain greater cost-effectiveness and better patient outcomes in the provision of health care.

The bill would require the council to submit the developed or updated plan to the governor, the lieutenant governor, the speaker of the House of Representatives, and each member of the Legislature no later than November 1 of each even-numbered year.

HB 1295 would include the prevalence of low health literacy among health care consumers as a major health concern in the state health plan developed by the council and require the council to include in the plan proposals to improve health literacy.

The bill would take effect September 1, 2025.

SUBJECT: Requiring AI training programs for certain government employees

COMMITTEE: Delivery of Government Efficiency — favorable, without amendment

VOTE: 11 ayes — Capriglione, Alders, Bowers, Cain, Campos, Cook, Curry, L. Garcia, Olcott, Tinderholt, Troxclair

0 nays

2 absent — Bhojani, Rodríguez Ramos

WITNESSES: For — (*Registered, but did not testify*: Renzo Soto, TechNet; Rahul Sreenivasan, Texas 2036; Megan Mauro, Texas Association of Business; Steven Deline)

Against — None

On — (*Registered, but did not testify*: Jennie Hoelscher, Texas Department of Information Resources)

BACKGROUND: Concerns have been raised that, despite the growing adoption of artificial intelligence in business and government, many people may be unaware of how to use the technology in ways that are accurate and useful. Some have suggested that this issue could be addressed by requiring certain government employees to take AI literacy training similar to the currently required cybersecurity training.

DIGEST: HB 3512 would require the Department of Information Resources (DIR), in consultation with the state cybersecurity council and other interested persons, to annually:

- certify at least five artificial intelligence (AI) training programs for state and local government employees;
- update standards for maintaining program certification; and
- ensure that the AI training programs were equal in length to state-certified cybersecurity training programs.

To be certified, an AI training program would have to focus on forming an understanding of how AI technology may be used in relation to a state employee's responsibilities and duties and teach best practices in literacy in deploying and operating AI technologies.

DIR could identify and certify training programs provided by state agencies and local governments that satisfied the requirements of the bill. DIR also could contract with an independent third party to certify AI training programs. HB 3512 would require DIR to annually publish on its website the list of AI training programs certified under the bill.

The bill would incorporate the AI training programs into provisions of the Education and Government Codes related to required cybersecurity training:

- for certain school district employees;
- for certain state and local government employees;
- for local governments to be eligible for certain grants administered by the criminal justice division under the governor’s office; and
- to be included in a written certification of compliance in state agencies’ strategic plans for their operations.

The bill would take effect September 1, 2025.