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HOUSE RESEARCH ORGANIZATION

daily floor report

Sunday, May 11, 2025
89th Legislature, Number 62
Part One

One bill is on the Major State Calendar and 93 bills are on the General State Calendar for Sunday, May 11, 2025, for second reading consideration. The House stands adjourned until 10 a.m. on Monday, May 12.

The list of bills included in Part One of the *Daily Floor Report* appears on the following page.

HRO bill analyses from previous daily House calendars and the supplemental House calendar can also be found on the Dynamic Floor Report: https://hro-dfr.house.texas.gov/floor-reports

Gary VanDeaver
Chairman
89(R) - 62

HOUSE RESEARCH ORGANIZATION

Daily Floor Report
Sunday, May 11, 2025
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SUBJECT: Amending provisions regarding public school accountability and testing

COMMITTEE: Public Education — committee substitute recommended

VOTE: 13 ayes — Buckley, Bernal, Ashby, Bryant, Cunningham, Frank, Hinojosa, Hunter, Kerwin, Leach, Leo Wilson, Schoolcraft, Talarico

0 nays

2 absent — Allen, Dutton

WITNESSES: For — Glen Zollman, Accelerate Learning and the National Institute for STEM Education; Brad Owen, Burkburnett ISD; Brandon Enos, Cushing ISD/ TREA; Stephanie Elizalde, Dallas ISD; Greg DiDonato, EBSCO; Justin Terry, Forney ISD; Kevin McCasland, Iowa Park CISD; Cissy Reynolds Perez, Kingsville ISD; Alicia Noyola, South Texas Association of Schools; Bobby Ott, Temple ISD; Dee Carney, Texas Center for School Accountability; James Cureton, Tyler ISD and Texas School Alliance; Marissa Melancon (*Registered, but did not testify*: Tricia Cave, Association of Texas Professional Educators (ATPE); Britney Campbell, National Institute for STEM; Andrea Coker, North Texas Commission; Maximiliano Rombado, Raise Your Hand Texas; Shannon Jaquette, Texas Catholic Conference of Bishops; Daphne Hoffacker; Dallas Kennedy; Tricia Kim; Ashton Skidgell; Roland Toscano)

Against — Trista Bishop-Watt, Good Reason Houston; Mary Lynn Pruneda, Texas 2036; Miguel Solis, The Commit Partnership; Jessica Campos; Zenobia Joseph; Ruth Kravetz; Sophia Mirto (*Registered, but did not testify*: Jonathan Feinstein, EdTrust in Texas; Amanda Posson, Every Texan; Terry Kosobud, Robert Norris, Grandparents for Public Schools; Taylor Landin, Greater Houston Partnership; Jeff Cottrill, IDEA Public Schools; Hayden Cohen, Students Engaged in Advancing Texas; Ana Gonzalez, Texas AFL-CIO; Kelsey Kling, Texas AFT; Maggie Disanza, Texas State Employees Union; Carrie Griffith, Texas State Teachers Association; Monica Brown, Christianna Brown, Elaina Brown, Shelia Franklin, Julie McCarty, Fran Rhodes, David Rogers, True Texas Project; and 44 individuals)

On — Louis Malfaro, Austin Voices for Education and Youth; Tony Hopkins, Texas Association of School Boards; Rachael Abell, Texas PTA; Nikki Cowart; Rachel Preston; Steve Swanson (*Registered, but did not testify*: Kathy Conring, Cisco ISD; Rebekah Chenelle, Dallas Regional Chamber; Tracy Johnson, DFER TX; Rebecca Montgomery, Frisco Chamber, Grapevine Chamber, Hurst Euless Bedford Chamber, Parker County Chamber; Robin Berkley, George W Bush Institute; Taylor Landin, Greater Houston Partnership, Metro 8 Chambers of Commerce; Kelle Kieschnick, Texas Business Leadership Council; Justin Yancy, Texas Business Leadership Council; Von Byer, Steve Lecholop, Monica Martinez, Jose Rios, Marian Schutte, Texas Education Agency; and 9 individuals)

BACKGROUND:

Education Code ch. 39 establishes the State of Texas Assessments of Academic Readiness, also known as the STAAR test. The chapter requires the State Board of Education (SBOE) by rule to create and implement a statewide assessment program that is knowledge- and skills-based to ensure school accountability for student achievement. The Texas Education Agency (TEA) is required to adopt or develop appropriate criterion-referenced assessment instruments for third through eighth grade designed to assess essential knowledge and skills in reading, mathematics, social studies, and science.

DIGEST:

CSHB 4 would amend the public school accountability and state assessment program.

Assessment program. CSHB 4 would amend provisions on the statewide assessment program created by the State Board of Education (SBOE) to require the assessment to be instructionally supportive, provide for progress monitoring, and be balanced, innovative, and streamlined. Rather than being designed to provide short and practicable assessment instruments, the bill would require the assessment program to:

- provide information regarding student academic achievement and learning progress to public schools to improve student instruction, to students, parents, and teachers to guide learning objectives, to education researchers to compare student academic achievement

and learning progress data at the national and statewide levels, and to the public to allow access to the costs and benefits of using public money for the program;

- evaluate the achievement level and learning progress of each assessed student in reading, mathematics, and science;
- provide information to TEA for the purpose of making decisions regarding public school accountability, campus recognition, and the improvement of public school operations and management;
- identify the educational strengths and needs of individual students and the readiness of those students to be promoted to the next grade level or to graduate from high school;
- assess whether educational goals and curricular standards were being met at the campus, district, state, and national levels;
- provide information to help evaluate and develop educational programs and policies; and
- provide instructional staff with immediate, actionable, and useful information regarding student achievement of standards and benchmarks that could be used to improve the delivery of instruction to students.

Adoption and administration of instruments. In creating and implementing an instructionally supportive assessment program, CSHB 4 would require TEA to adopt, rather than develop, assessment instruments. The bill would also require that the instruments be nationally norm-referenced rather than criterion-referenced. The instruments would be administered at the beginning, middle, and end of the school year and would be designed to assess essential knowledge and skills in reading, mathematics, and science. The bill would remove the requirement to assess social studies essential knowledge and skills.

In addition to existing standards for student assessment, an instrument adopted under the bill would have to:

- focus primarily on supporting excellent instruction, while also providing essential summative information that fulfilled applicable federal requirements;

- consist only of questions written at the appropriate reading level for the applicable grade level, as determined by a research-based readability metric;
- not require a student to complete a separate, standalone essay or extended constructed response component;
- for a reading assessment, assess writing skills through questions integrated with the context of the overall assessment;
- be adaptive to each student-appropriate measurement of individual student performance and growth; and
- provide detailed diagnostic reports of individual student results, within 24 hours of an administration, including recommendations for teachers and parents based on a student's performance.

The bill would require a beginning- or middle-of-year assessment instrument to include instructional growth projections for individual students based on their results.

An end-of-year assessment would be required to:

- measure student performance and annual through-year instructional growth;
- fulfill the state plan for purposes of satisfying federal accountability requirements;
- comply with applicable federal peer review requirements; and
- provide valid, reliable, and useful results.

TEA would be required to annually review and validate the readability of each item on an adopted assessment instrument to confirm alignment of the item with grade-level expectations and ensure that the item accurately measured student mastery of essential knowledge and skills without introducing undue complexity that was not related to the assessed standard.

An adopted assessment instrument would have to be administered as closely as possible to the following schedule:

- between October 1 and October 31 for a beginning-of-year assessment instrument;

- between January 13 and February 21 for a middle-of-year assessment; and
- between May 15 and May 30 for an end-of-year assessment.

The bill would remove a provision prohibiting an assessment instrument from having more than three parts and replace it with a requirement that TEA adopt an assessment instrument designed to minimize the impact on student instructional time so that:

- for a beginning- or middle-of-year assessment for third and fourth-grade students, 85 percent of students were expected to complete the assessment within 60 minutes;
- for a beginning- or middle-of-year assessment for fifth through eighth-grade students, 85 percent of students were expected to complete the assessment within 75 minutes; and
- for an end-of-year assessment for third through eighth-grade students, 85 percent of students were expected to complete the assessment within 90 minutes.

The amount of time allowed for administering an adopted assessment in reading, mathematics, or science could not exceed six hours, rather than eight hours. In addition, no more than 25 percent, rather than 75 percent, of the available points on an adopted assessment could be attributable to questions presented as technology-enhanced or constructed-response items.

For secondary-level courses, TEA would be required to adopt end-of-course assessment instruments in reading, mathematics, and science, to be administered only as necessary to meet the minimum requirements of the federal Every Student Succeeds Act. The bill would remove the requirement for TEA to adopt end-of-course assessments for specific subject matters.

TEA would be required to release the questions and answer keys for each assessment after the last administration of the school year, under rules adopted by SBOE for the 2025-26 and 2026-27 school years. This provision would expire September 1, 2027.

The bill also would require TEA to release the questions and answer keys to each assessment instrument after the last administration of the year, beginning with the 2027-28 school year and every third year thereafter, under rules adopted by SBOE. TEA would have to release each question that was no longer being field-tested and that was not used to compute a student's score.

TEA would have to notify school districts and campuses of the results of end-of-year and end-of-course assessment instruments and preliminary academic accountability ratings assigned to the district and campus by the 14th day, rather than the 21st day, after the date the administration of the assessment instrument.

The bill would require TEA to adopt an assessment instrument in social studies for students in eighth grade and an end-of-course assessment instrument for U.S. history that a school district or charter school could elect to administer.

If there was a conflict between the bill and a federal law or regulation, TEA would have to seek a waiver from the application of the conflicting law or regulation. If changes to federal law or regulations reduced the number or frequency of required assessment instruments, SBOE would be required to adopt rules for that purpose, and TEA would have to ensure that students were not required to be assessed in areas or grades that were no longer required by law.

Prekindergarten through second grade assessment instruments. The bill would extend a prohibition on considering an assessment instrument administered to students in prekindergarten for public school accountability to prohibit considering student performance on an instrument administered in prekindergarten through second grade.

Assignment of performance ratings for 2025-2026 school year. A reference in statute to the overall performance rating assigned to a district or campus or to a domain performance rating assigned to a district or campus for the 2025-26 school year would have to mean the higher of:

- the overall performance rating or the applicable domain performance rating the school district or campus received for the 2024-25 school year; or
- the overall performance rating or the applicable domain performance rating the school district or campus received for the 2025-26 school year.

This provision would expire August 31, 2026.

Performance indicators. The bill would require the commissioner of education to adopt rules as necessary but would authorize the commissioner to modify the domains or performance indicators on which school districts and campuses were evaluated only with the express approval of the Legislature. The bill would remove the requirement for the commissioner to adopt a set of indicators of the quality of learning and achievement, and for the commissioner to periodically review those indicators.

The bill would make certain changes to the indicators of achievement used for school district and campus evaluation. For the student achievement domain, the bill would add that indicators would have to include, for high school campuses and districts, indicators that accounted for students who demonstrated military readiness through verified enlistment in the armed forces or other specific methods.

For the school progress domain, indicators for effectiveness in promoting student learning would have to include, for assessment instruments, the percentage of students who met the standard for annual through-year instructional growth in reading, mathematics, and science.

For the closing the gaps domain, the bill would remove the list of certain other factors to be used in disaggregated data to demonstrate the differentials among students from different racial and ethnic groups.

By July 1 immediately preceding the school year for which the district requested consideration of an indicator, a school district could request that TEA consider in the student achievement domain or the school progress

domain one or more of the following student engagement and workforce development indicators, as applicable, based on the grade levels served:

- the percentage of students participating in school-sponsored extracurricular or cocurricular student activities;
- student participation in full-day prekindergarten programs;
- teacher completion rates of the literacy achievement academies and mathematics achievement academies;
- sixth through eighth grade students who successfully completed a certain career and technology course; and
- students who successfully completed and received credit for a course designated for a grade higher than the student's grade.

By September 1 following the date a district submitted such a request, the commissioner would have to notify the district regarding the commissioner's approval or denial of the request.

The bill would add a specific deadline to an existing annual requirement, requiring the commissioner to define and adopt the state standards for the current school year in each achievement indicator by July 15 of each year.

The bill also would add a 15-year deadline to provisions regarding eliminating achievement gaps. The commissioner would have to increase the rigor of determining the overall performance ratings to continuously improve student performance to achieve, by the 15th anniversary after the date the commissioner modified the performance standards, the goals of:

- eliminating achievement gaps based on race, ethnicity, and socioeconomic status; and
- ensuring Texas ranked nationally in the top five states in preparing students for postsecondary success in comparison to states with similar student demographics and public education enrollment rates.

The bill would authorize the commissioner to increase the scores needed to achieve performance standards on indicators only every fifth school year. The commissioner would have to notify each school district of an increase no later than two school years before the school year in which

TEA intended to evaluate the performance of districts and campuses under the increased score.

Methods and standards for evaluating performance. For purposes of assigning an overall performance rating for a district or campus, the commissioner would be required to:

- for campuses serving students in prekindergarten through eighth grade, attribute not less than 10 percent of the performance rating under the student achievement domain or the school progress domain, whichever performance rating was higher, to the student engagement and workforce development indicators;
- attribute not more than five, rather than not less than 30, percent of the performance rating to the closing the gaps domain;
- for campuses serving grades three through eight, attribute not less than 50 percent of the domain performance rating for the student achievement domain to the indicators adopted to evaluate the performance of districts and campuses; and
- for campuses serving grades nine through 12, for the student achievement domain, attribute not more than 40 percent of the domain performance rating to the indicators adopted to evaluate the performance of districts and campuses, 40 percent of the domain performance rating to the college, career, and military readiness indicators, and 20 percent of the domain performance rating to graduation rates.

To assign school districts and campuses an overall and a domain performance rating, the bill would require the commissioner to ensure that:

- if TEA added or removed an assessment instrument on which student performance was evaluated for the purpose of assigning district and campus performance ratings or made significant revisions to the state's assessment program, the agency reviewed, adjusted, and recalculated the cut scores and standards used in evaluating district and campus performance to ensure fairness and consistency in the assignment of district and campus performance ratings;

- each campus domain performance rating had minimal or no statistical correlation to the percentage of educationally disadvantaged students enrolled at the campus in order to identify effective campuses regardless of student family income;
- any changes made to the college, career, or military readiness indicators or to the methodology that relied on data from those indicators for the preceding school year took effect beginning with students entering ninth grade in the school year immediately following the change; and
- a campus that was in the first year of operation, that was assigned a new campus identification number, or that was significantly impacted by demographic shifts due to rezoning, closure, or consolidation would not be evaluated in the closing the gaps domain for the first year following the applicable event.

If the provisions of the Every Student Succeeds Act regarding public school accountability and assessment requirements were repealed or otherwise no longer had effect, the commissioner would be required to reallocate any percentage of the overall performance ratings attributable to indicators to inform parents and the community regarding campus and district performance to the student engagement and workforce development indicators, if applicable.

If TEA failed to assign a performance rating to a school district or campus by August 15 of each year, the district or campus would have to be automatically reissued the performance rating assigned to the district or campus for the preceding school year. An assigned performance rating would remain in effect for all official purposes, including any interventions or sanctions, until the agency assigned the district or campus a new rating.

Adoption of standards. Rather than being authorized to adopt indicators and standards at any time during a school year before the evaluation of a school district or campus, the commissioner would be required to adopt performance standards by July 15 immediately preceding the school year for which the commissioner intended to assign performance ratings based on the standards.

The commissioner would be authorized to modify the standards, methods, measures, or procedures used to evaluate school districts and campuses and assign performance ratings on or after July 15 only with the express approval of the legislature.

Local accountability system. From money appropriated or otherwise available for the purpose, TEA would be required to establish a grant program to assist at least one school district in each education service center region in developing a local accountability plan compliant with local accountability system requirements. The commissioner would be authorized to adopt rules as necessary to implement the local accountability system. If the commissioner awarded a grant to a district and had not adopted rules applying to the district, the district could select and collaborate with a third-party organization with expertise in assessment and accountability to develop a local accountability plan.

Limitation on actions challenging certain TEA decisions. The bill would permit a school district or charter school to bring an action challenging a decision made by TEA under public school system accountability provisions that was based on the lawful exercise of discretion granted to TEA by the Legislature only if the petition alleged TEA's decision was unconstitutional, arbitrary, capricious, or without lawful authority.

In such an action, a trial court would be required to expedite the action and render a final order or judgment not later than 60 days after the date each defendant had filed an answer or other pleading responsive to the petition. The trial court could extend the time period within which the court would have to render a final order or judgment by not more than 30 additional days for good cause. If a final order or judgment was appealed, the appellate court would be required to follow the same procedures.

Campus distinction designations. The bill would amend campus distinction designation provisions to establish that a campus that satisfied certain criteria would be awarded a distinction designation for outstanding performance in academic achievement in "reading" rather than "English language arts." The bill would remove the distinction designation for social studies.

Supplemental instruction. For a school district that was required to provide supplemental instruction to a student in more than two subject areas for a school year, the bill would remove the requirement for the district to prioritize providing supplemental instruction to the student for Algebra I, English I, or English II, leaving in the requirement to prioritize instruction in mathematics and reading.

Repeals. CSHB 4 would repeal requirements for questions on U.S. history end-of-course assessment instrument.

The bill would make conforming changes throughout the Education Code.

The bill would apply beginning with the 2025-26 school year.

CSHB 4 would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2025.

SUPPORTERS SAY:

CSHB 4 would build trust and confidence in the state's testing and accountability system. The current high-stakes, once-per-year testing regime can be stressful for students and only presents educators with a snapshot of student performance. By replacing this unpopular model with a through-year testing model administered at the beginning, middle, and end of the school year, the bill would give students more opportunities to show their academic progress. The increased testing frequency also would allow parents and teachers to make more timely adjustments to account for a student's academic struggles. The three assessments provided by the bill would be much shorter in length than the STAAR test, saving districts valuable instructional time and money. Additionally, the bill would move the end-of-year test date to the end of May rather than in April, giving teachers an extra month to teach the essential knowledge and skills and making the final month of the school year more productive.

By requiring a norm-referenced test rather than a criterion-referenced test, the bill would compare a student's scores to a representative group and report where the tester fell in relation to other testers, while a criterion-referenced test compares a tester's score to an objective standard or

criteria. The end-of-year assessment would serve as an improved replacement for the STAAR assessment by combining criterion- and norm-referenced components, which would mean the test could be graded more quickly than STAAR while still grading the students against objective criteria.

The bill also would make needed reforms to the metrics for evaluating the success of public schools. By increasing the role of student performance in a school's overall performance rating, the bill would ensure students' knowledge and skills played a bigger role in determining a school's letter grade ratings. The bill would give school districts the option to include, with TEA approval, extracurricular and cocurricular inputs to account for 10 percent of the district's overall performance rating. This would give districts a greater degree of control over the accountability program to which they are subjected by allowing them to value the non-academic extracurricular and cocurricular inputs where the district excels.

Additionally, the bill would enhance local control by giving school districts the option to retain social studies assessments. Since social studies assessments are not federally required, districts would not be required to administered such assessments if they judged them to not be feasible or beneficial.

Concerns have been raised about the growing authority of TEA, due to the lack of accountability of an unelected commissioner of education and the diminished academic performance of Texas students. The bill would reduce the commissioner's authority by requiring the commissioner to adopt nationally norm-referenced assessments, instead of tasking the commissioner and TEA with developing them. By requiring all new rules regarding standardized testing to be finalized by July 15 of each year, the bill would ensure that there was enough time for schools and educators to make the necessary changes before the beginning of the next school year. Additionally, by requiring that lawsuits against TEA regarding letter grade ratings had to be judged within 60 days, the bill would provide a way to resolve potential conflicts more quickly with greater transparency and clarity.

CRITICS SAY:

While the state's standardized testing and accountability systems should be revised, CSHB 4 would not solve the challenges that Texas has faced because of the STAAR test. The bill should retain criterion-referenced assessments in order to focus on ensuring students fully learn the essential knowledge and skills. Nationally norm-referenced assessments rank students against one another rather than measuring students' individual mastery of content and skills. These tests could include biases that hurt students of color and could also set up scenarios where students are mastering course content but still marked as underperforming.

The bill also should not include non-academic inputs in A-F ratings for schools. Academic outputs are more indicative of student performance, and incorporating non-academic extracurricular and cocurricular inputs could inflate student scores and mask true performance on assessment instruments. This could lead to districts receiving higher grades while not adequately teaching their students.

The bill would replace the current end-of-year testing model with a through-year model, which would require students to be tested three times throughout the school year rather than once. This increased frequency of testing could result in a further reduction in instruction time for Texas students, which would give them less time to learn the essential knowledge and skills.

The bill also would continue the pattern of giving authority to TEA, which has not improved the academic achievement of Texas schools in recent years, despite its already extensive authority to govern and penalize school districts. By continuing to provide authority to the TEA commissioner to choose the assessment instruments that would be used to evaluate student performance, the bill could damage accountability and transparency.

Additionally, the bill should require social studies assessments along with reading, mathematics, and science assessments. Texas students should receive high-quality instruction in civics, history, geography, and economics to help them become knowledgeable, engaged citizens. The bill's current provisions making social studies assessments optional would mean that students may not learn about the importance of civic engagement.

CSHB 4 should include a family engagement domain with statewide indicators in the evaluation of school performance for school performance ratings. Parent engagement is the strongest factor in student success and should be valued in evaluating schools, along with school climate and student and campus engagement.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of about $197.7 million to general revenue related funds through the biennium.

SUBJECT: Establishing the Higher Education Research Security Council

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

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

0 nays

1 absent — Cortez

WITNESSES: For — Kelley Currie, Jacqueline Deal, State Armor; Kate Bierly, Texas Public Policy Foundation; Sunny Cheung, The Jamestown Foundation (*Registered, but did not testify*: Andrew McVeigh, Texans for Fiscal Responsibility; Christopher Russo, Texans for Strong Borders; Michelle Evans, Williamson County Republican Party)

Against — Zhengang Cheng; Xiaoyu Wu (*Registered, but did not testify*: Steven Deline; Susan Lucas)

On — Natalie Ecanow, Foundation for Defense of Democracies (FDD); Kevin Gamache, The Texas A&M University System; Enge Xing (*Registered, but did not testify*: Arby Gonzales, Texas Higher Education Coordinating Board)

BACKGROUND: Concerns have been raised that foreign adversaries may have undue influence in certain Texas' institutions of higher education. Some have suggested implementing certain restrictions on involvement with foreign entities and affiliated parties to better protect Texas colleges from the influence of foreign adversaries.

DIGEST: CSHB 127 would establish the Higher Education Research Security Council to promote secure academic research at tier one research institutions while mitigating the risk of foreign espionage and interference. A "tier one research institution" would mean a postsecondary educational institution in Texas designated as R1: very high spending and

doctorate production in the 2025 Carnegie Classification of Institutions of Higher Education published by the Indiana University Center for Postsecondary Research.

The council would be composed of each research security officer designated by the governing board of each public higher education institution under certain provisions of the Education Code establishing a policy framework for research security, and a research security officer designated by each private or independent institution of higher education that elected to participate in the council. The council member designated for The Texas A&M University System would serve as the initial presiding officer.

The council would be required to:

- identify best practices for a tier one research institution to conduct research securely while mitigating the threat of foreign espionage and interference;
- develop a research security policy that a tier one research institution would be required to adopt to improve research security;
- establish an accreditation process under which the council would be required to award a tier one research institution an accreditation for security excellence;
- promote attendance at the annual academic security and counter exploitation program seminar offered by The Texas A&M University System; and
- develop and offer an annual training program for tier one research institution security officers that included background and academic history checks of researchers and research security and integrity tools and software that would have to be used to prevent the loss of intellectual capital.

The bill would require the council to meet once every quarter. A meeting conducted would have to be in person or by video conference call, as determined by the presiding officer. The council would be required to prepare and submit to the governor, the attorney general's office, and the presiding officer of each legislative committee with primary jurisdiction

over higher education an annual report on the status of research security at tier one research institutions and any associated recommendations. A report submitted under the bill would be confidential and would not be subject to disclosure under the Public Information Act.

The bill would authorize the council to solicit and accept gifts, grants, and donations, but it could not solicit or accept such funds from an entity or country:

- prohibited from participating in federal contracts;
- identified as a Chinese military company by the U.S. Department of Defense;
- owned by the government of a country designated as a foreign adversary by the U.S. Secretary of Commerce; or
- controlled by a governing or regulatory body located in a country designated as a foreign adversary.

Definitions. CSHB 127 would define "foreign adversary" to mean a country identified by the United States Director of National Intelligence as a country that poses a risk to the national security of the United States in at least one of the three most recent Annual Threat Assessments of the U.S. Intelligence Community or designated by the governor after consultation with the director of the Department of Public Safety.

A "foreign adversary company" would mean a company that is domiciled, incorporated, headquartered, issued, or listed in a foreign adversary; has its principal place of business in a foreign adversary; is controlled by the government, military, or ruling political party of a foreign adversary; or is majority owned by such an entity; and does not include:

- a United States citizen;
- a U.S. subsidiary, as defined by federal law; or
- a parent company not described by the above factors that derives not more than 50 percent of its total annual global revenue from subsidiaries from a foreign adversary, regardless of whether the subsidiaries are companies described by the above factors.

The bill also would establish provisions to define a "federally banned company" based on certain federal lists, prohibitions, and sanctions outlined in the bill.

Gifts from foreign adversary. An institution of higher education or employee of an institution of higher education would be prohibited from accepting a gift offered to the institution directly or indirectly from a foreign source of a foreign adversary unless the gift was of de minimis value, as determined by Texas Higher Education Coordinating Board (THECB) rule.

The bill would require an institution of higher education to include the prohibition described above in its ethics policy and create a mechanism by which an employee of the institution could report being offered a gift from a foreign source of a foreign adversary.

Each institution of higher education that submitted reporting on foreign gift and contract disclosures to the United States Department of Education would be required to submit that report to THECB at the same time. By December 1 of each year, the THECB would be required to submit a report detailing the information submitted by institutions of higher education to the governor, the lieutenant governor, and the speaker of the House of Representatives for that year.

Information required to be reported would not be confidential except as otherwise provided by federal or state law or unless protected as a trade secret by federal or state law.

Prohibited contract with foreign adversary company or federally banned company. A foreign adversary company or a federally banned company would be prohibited from submitting a bid for a contract or entering into a contract with an institution of higher education relating to goods or services. Under the bill, a company would be considered a foreign adversary company if the company entered into a contract with an institution of higher education to sell to the institution any final products or services produced by a foreign adversary company or a federally banned company.

An institution of higher education would be authorized to enter into a contract with such company if:

- there was no other reasonable option for procuring the good or service;
- the institution preapproved the contract; and
- failure to procure the good or service would pose a greater threat to the state than the threat associated with procuring the good or service.

Certification. An institution of higher education 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. An institution of higher education that determined that a vendor holding a contract with the institution was ineligible to have the contract awarded because the vendor's certification was false would be required to notify the vendor. The notice would have to include the reason why the vendor was in violation of the bill.

An institution of higher education, on making a final determination that a vendor was in violation, would be required to refer the matter to the attorney general for enforcement. The institution also would be required to immediately terminate the contract without further obligation to the vendor. On receiving notice from an institution of higher education of a contract termination, the comptroller could bar the vendor from participating in state contracts using procedures prescribed by state law. Debarment under the bill would expire on the fifth anniversary of the date of the debarment.

A vendor that violated the bill would be liable to the state for a civil penalty in the amount equal to the greater of twice the amount of the contract terminated or $250,000.

The bill would authorize the attorney general to bring an action to recover a civil penalty imposed.

CSHB 127 would require an institution of higher education to investigate an alleged vendor violation if the institution received a complaint from a compliance officer of a state agency or a sworn complaint based on substantive information and reasonable belief.

The institution could request from any person records relevant to a reasonable suspicion of a violation. A person who received such a request would be required to produce the records within 10 days of receiving the request, unless the institution and the person agree to a later date.

International cultural exchange agreements and partnerships. CSHB 127 would prohibit certain cultural agreements and partnerships between an institution of higher education and a foreign source or a foreign adversary, or an entity controlled by a foreign adversary, that:

- constrained the institution's freedom of contract;
- allowed the institution's curriculum or values to be directed, controlled, or influenced by the foreign adversary; or
- promoted an agenda detrimental to the safety or security of this state, the residents of this state, or the United States.

A "cultural exchange partnership" would mean a faculty or student exchange program, study abroad program, matriculation program, recruiting program, or dual degree program. A "cultural exchange agreement" would mean a written or spoken statement of mutual interest in cultural exchange or academic or research collaboration.

The bill would require an institution of higher education to share the cultural exchange agreement or partnership with the Higher Education Research Security Council, which would have to determine if the agreement or partnership violated the requirement. A violation would prohibit the institution from entering into the partnership or agreement.

On December 1 of every year, the council would have to submit a report with details about the number of agreements to the governor, as well as a list of the number of contracts the institution entered and those rejected by the council to the governor, lieutenant governor, and the speaker of the House of Representatives.

Student associations. A student or scholars association affiliated with an institution of higher education would be prohibited from accepting a gift from a foreign source of a foreign adversary or from entering into a contract or agreement with a foreign source of a foreign adversary. An institution of higher education would have to terminate an affiliation with a student or scholars' association if the institution determined that the association had violated requirements of international cultural agreements and partnerships. Member dues or fees would not be considered a gift from a foreign source of a foreign adversary.

Screening of foreign researchers. An institution of higher education would be required to screen an applicant before offering the applicant employment for a research or research-related support position at the institution or granting an applicant access to research data or activities or other sensitive data of the institution. The screening requirement would apply to an applicant who was:

- a citizen of a foreign country and was not a U.S. permanent resident;
- affiliated with an institution or program, or had at least one year of employment or training, in a foreign adversary, other than employment or training by a U.S. agency.

The screening would have to include a background check to determine if the applicant had any ties to a foreign adversary that would prevent the applicant from being able to maintain the security or integrity of the institution of higher education and research. The institution also could screen additional applicants for the position.

If an institution of higher education procured a third party to conduct a background check, the institution would be required to consult with DPS and the council in determining whether the third party was qualified to conduct a background check.

Application. CSHB 127 would require an applicant who was a citizen of a foreign country and was subject to screening to provide a copy of the applicant’s passport and nonimmigrant visa application most recently

submitted to the U.S. Department of State and a resume and curriculum vitae that included:

- a list of each postsecondary educational institution in which the applicant had been enrolled;
- a list of all places of employment since the applicant's 18th birthday;
- a list of all published materials for which the applicant received credit as an author, a researcher, or otherwise or to which the applicant contributed significant research, writing, or editorial support;
- a list of the applicant's current and pending research funding from any source, including the source of funding, the amount of funding, the applicant's role on the project, and a brief description of the research; and
- a full disclosure of the applicant's professional activities outside of higher education, including any affiliation with an institution or program in a foreign adversary.

The bill would authorize an applicant who was continuously employed in the U.S. for the previous 20 years to include in the resume only the employment history of that period. The institution of higher education could destroy or return the copy of the applicant's nonimmigrant visa application after extracting all relevant information.

Research Integrity Office. The chief administrative officer of an institution of higher education would be required to establish a research integrity office to review the materials submitted to the institution by an applicant and take reasonable steps to verify the information in the application, including by:

- searching public databases for research publications and presentations and public conflict of interest records to identify any research publication or presentation that could have been omitted from the application;
- contacting each of the applicant's employers during the preceding 10 years to verify employment;

- contacting each postsecondary educational institution the applicant attended to verify enrollment and educational progress;
- searching public listings of persons subject to sanctions or restrictions under federal law;
- submitting the applicant's name and other identifying information to the Federal Bureau of Investigation (FBI) or another federal agency for screening related to national security or counterespionage; and
- taking any other action the office considered appropriate.

An institution of higher education could direct the research integrity office to approve applicants for hire using a risk-based determination that would consider the nature of the research and the applicant's background and ongoing affiliations. The institution would have to complete the requirements before interviewing or offering a position to an applicant in a research or research-related support position or granting the applicant access to research data or other sensitive data.

The institution would be prohibited from employing an applicant who failed to disclose in the application a substantial educational, employment, or research-related activity or publication or presentation unless the applicable department head or the department head's designee certified in writing the substance of the failure to disclose and the reasons for disregarding that failure. A copy of the certification would have to be kept in the investigative file of the research integrity office and be submitted to the nearest FBI field office.

The research integrity office would be required to report the identity of an applicant who was rejected for employment based on the screening required or other risk-based screening to the nearest FBI field office, and to any law enforcement agency designated by the governor or the institution of higher education's governing board.

Foreign travel research institutions. CSHB 127 would require an institution of higher education to establish an international travel approval and monitoring program. The program would require preapproval from the institution's research integrity office for any employment-related foreign travel or activities by faculty, researchers, or research department

staff. Preapproval would only be granted if the applicant received and acknowledged guidance on foreign adversaries or countries under sanctions or other restrictions by the state and the U.S. government.

Records and reports. An institution of higher education would be required to maintain records of foreign travel and activities by faculty, researchers, or research department staff for up to three years, or longer if required by federal or state law. This would include travel requests and approvals, reimbursed expenses, payments and honoraria received, the purpose of each travel, and any related activity reviews. The institution would be required to submit an annual report to the governing board on foreign travel to adversary countries that listed each traveler, location, and institution visited.

Academic partnerships. An institution of higher education would be authorized to enter into or renew an academic partnership with an educational or research institution located in a foreign adversary only if the council determined that the institution maintained sufficient structural safeguards to protect its intellectual property, state, and national security interests. The council could require the institution to reject or terminate an academic partnership at any time and for any reason.

By December 1 of each year, the council would be required to submit a report with necessary details about the academic partnership to the governor, the lieutenant governor, and the speaker of the House of Representatives.

Software and education services. Any software owned or controlled by a foreign adversary or a company domiciled or headquartered in a foreign adversary would have to undergo a thorough review by the institution. The institution would have to eliminate the use of such software and not enter into or renew a contract to provide testing, tutoring, or other education software with a foreign adversary or a company domiciled or headquartered in a foreign adversary.

Enforcement. An institution of higher education would not be authorized to spend money appropriated to the institution for a state fiscal year until the governing board of the institution submitted to the governor, the

Legislature, THECB, and the council a report certifying the governing board's compliance with the requirements under the bill during the preceding state fiscal year.

Between legislative sessions, the governing board or the board's designee would be required to testify before standing legislative committees with appropriate jurisdiction about the board's compliance.

The bill would authorize the state auditor to periodically conduct a compliance audit of each institution to determine if the institution was in violation, and would require audits once every four years. If the auditor determined that the institution was in violation of the bill, the institution would have to cure the violation within 180 days after the determination was made or become ineligible for state formula funding in the subsequent biennium.

CSHB 127 would make conforming changes in the Penal Code related to definitions of foreign agent and foreign government and define "foreign instrumentality" as an agency, bureau, ministry, component, institution, association, or legal, commercial, or business organization, corporation, firm, or entity that was substantially owned, controlled, sponsored, commanded, managed, or dominated by a foreign government.

The bill also would amend the offense of theft of trade secrets in the Penal Code. The offense would be a second-degree felony (two to 20 years in prison and an optional fine of up to $10,000) if it were shown at the trial that the person who committed the offense intended to benefit a foreign agent, foreign government, or foreign instrumentality.

The Higher Education Research Security Council established under the bill would have to hold its initial meeting by January 1, 2026. The council's members would have to be designated by October 1, 2025.

CSHB 127 would take effect September 1, 2025.

SUBJECT: Raising change order limits for certain construction contracts

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

VOTE: 7 ayes — C. Bell, Cole, Cortez, Garcia Hernandez, Leo Wilson, Rosenthal, Spiller

3 nays — Lowe, Luther, Tepper

1 absent — Zwiener

WITNESSES: For — Ana Husted, Associated Builders and Contractors of Texas, Inc. (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court; Clifford Sparks, City of Dallas; T. J. Patterson, City of Fort Worth; Joshua Sanders, City of Houston; Nadia Islam, City of San Antonio; Adam Haynes, Conference of Urban Counties; Ben Zeller, Rick Thompson, County Judges & Commissioners Association of Texas; Josie Castro Garcia, Dallas County; Elisa M. Tamayo, El Paso County; Colby Nichols, Gallagher Construction; Larry Woolley, Johnson County and County Judges & Commissioners Association of Texas; John Carlton, Texas State Association of Fire and Emergency Districts; Perry Fowler, Texas Water Infrastructure Network; Julie Wheeler, Travis County Commissioners Court)

Against — None

BACKGROUND: Concerns have been raised that price destabilization as a result of the COVID-19 pandemic has caused market prices for construction materials to fluctuate, resulting in price information often being outdated by the time a change order for a construction contract is approved.

DIGEST: HB 386 would increase from $1 million to $5 million the minimum amount of a construction contract for which an increase by a change order would be capped at 25 percent. A contract with an original contract price of less than $5 million could not be increased in the aggregate by more than the greater of 50 percent or $1 million. The bill would increase from $50,000 to $250,000 the amount a governing body could authorize to an

official or employee responsible for purchasing or contract administration to approve for a change order.

The bill would take effect September 1, 2025.

SUBJECT: Revising procedures for scientific evidence in habeas corpus cases

COMMITTEE: Criminal Jurisprudence — committee substitute recommended

VOTE: 10 ayes — Smithee, Wu, Bowers, Cook, J. Jones, Little, Louderback, Money, Moody, Rodríguez Ramos

0 nays

1 absent — Virdell

WITNESSES: For — Amanda Marzullo, Austin Community Law Center; Chase Baumgartner, Innocence Project of Texas; Burke Butler, Texas Defender Service (*Registered, but did not testify*: Eric Carcerano, Chambers County District Attorney's Office; Kathy Mitchell, Equity Action; Shannon Jaquette, Texas Catholic Conference of Bishops)

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

On — (*Registered, but did not testify*: Benjamin Wolff, Office of Capital and Forensic Writs)

BACKGROUND: Code of Criminal Procedure sec.11.073 establishes procedures related to certain scientific evidence, which applies to evidence that was not available to be offered by a convicted person at the convicted person's trial or contract scientific evidence relied on by the state at trial.

In making a finding as to whether relevant scientific evidence was not ascertainable through the exercise of reasonable diligence on or before a certain date, the court shall consider whether the field of scientific knowledge, a testifying expert's scientific knowledge, or a scientific method on which the relevant scientific evidence is based has changed since:

- the applicable trial date or dates, for a determination made with respect to an original application; or

- the date on which the original application or a previously considered application, as applicable, was filed, for a determination made with respect to a subsequent application.

A writ of habeas corpus is a legal remedy that allows a person confined by the state to challenge the legality of their confinement. In 2013 and 2015, the Texas Legislature passed laws authorizing courts to grant habeas relief if newly discovered scientific evidence, not available at trial, was admissible and, upon a preponderance of the evidence, would have led to a different trial outcome or upon a change in a testifying expert's scientific understanding.

Some have suggested aligning statute with the House Committee on Criminal Jurisprudence's 2024 Interim Report by updating procedures for granting habeas relief to reflect changes in scientific understanding and streamlining the review of subsequent writs.

DIGEST:

CSHB 115 would expand the types of scientific evidence that could serve as the basis for habeas relief under Code of Criminal Procedure Sec. 11.073 to include evidence that was not reasonably available to be offered by a convicted person at the time of trial or that contradicted or tended to negate scientific evidence relied on by the state at trial. The bill also would authorize a court to grant habeas relief based on newly discovered scientific evidence if the court found that, had the scientific evidence been presented at trial, there could have been a reasonable likelihood that the scientific evidence would have affected the person's conviction or the sentence imposed, rather than requiring that on the preponderance of evidence the person would not have been convicted.

CSHB 115 would also amend procedures related to certain scientific evidence to provide that in making a finding as to whether relevant scientific evidence was not ascertainable through the exercise of reasonable diligence before the date of or during the convicted person's trial, the court would have to consider whether the relevant scientific knowledge had changed since the applicable trial date or dates.

The bill would amend the right to representation established under state law to entitle an eligible indigent defendant to a court-appointed attorney

in a habeas corpus proceeding if the defendant raised a claim related to scientific evidence that was not reasonably available at the time of trial. The bill would prohibit the Texas Court of Criminal Appeals from denying relief on an application for a habeas corpus writ related to relevant scientific evidence except by a written decision addressing the merits of the claim.

CSHB 115 would authorize the Texas Court of Criminal Appeals to consider subsequent writ applications that would not otherwise meet the standard requirements if the court found that justice required the court to consider the application. If the court made such a finding, the convicting court would be authorized to take further action on the application. Otherwise, the application would have to be dismissed as an abuse of the writ.

With respect to provisions limiting a court's consideration of subsequent applications for habeas corpus, the bill would remove the requirement that a claim or issue based on scientific evidence could not have been presented previously if the evidence was not ascertainable through the exercise of reasonable diligence before the date of the original or previously considered application. Instead, this limitation would apply only to claims that had been previously presented in an application filed by an attorney.

The bill also would authorize a licensed Texas attorney to file a writ to invoke district court jurisdiction in a district court to obtain documents relevant to a ground for relief in a postconviction application. To be eligible to file the writ, the attorney would have to be licensed in Texas, affirm in the petition that the person was seeking to file an application on behalf of an applicant after a final conviction, and affirm in the petition that the person could not in good faith file the application until the necessary documents were obtained. The attorney also would have to provide reasonable notice to the office of the attorney representing the state in the applicant's case of the intent to file the relevant petition. The district court's jurisdiction in these cases would be limited to matters directly related to the petition and the issuance of documents requested by the petition. The bill would make conforming changes to the writ powers of a district court to reflect this change.

The bill would take effect September 1, 2025, and would apply only to applications for writs of habeas corpus filed on or after that date.

SUBJECT: Revising consideration of capitalization ratio in electric utility rate setting

COMMITTEE: State Affairs — committee substitute recommended

VOTE: 15 ayes — King, Hernandez, Anchía, Darby, Y. Davis, Geren, Guillen, Hull, McQueeney, Metcalf, Phelan, Raymond, Smithee, Thompson, Turner

0 nays

WITNESSES: For - Chad Burnett, AEP Texas; Mark Bell, Association of Electric Companies of Texas; Patrick Peters, CenterPoint Energy; Brian Lloyd, Oncor Electric Delivery; Stacy Whitehurst, Texas New Mexico Power (TNMP) (*Registered, but did not testify*: Isaac Albarado, Kelly Sadler, AEP Texas; Kaitlyn Murphy, Greater Houston Partnership; Jake Posey, MasTec)

Against - Jamie Mauldin, Steering Committee of Cities Served by Oncor and Texas Coalition for Affordable Power; John Russ Hubbard, Texas Association of Manufacturers (*Registered, but did not testify*: Richard Dyer, Alfred R. Herrera; Martha Landwehr, BASF Corporation; Lauren Fairbanks, Freeport LNG; Cyrus Reed, Lone Star Chapter Sierra Club; Julie Moore, Oxy; Dana Pate, Samsung; Vincent Dicosimo, Targa Resources; Mia McCord, Texas Chemistry Council)

On - (*Registered, but did not testify*: Anna Givens, Public Utility Commission of Texas; Steven Deline)

BACKGROUND: Concerns have been raised that current rate-setting practices for evaluating an electric utility's debt and equity structure do not account for the modern financing environment faced by utilities.

DIGEST: CSHB 2868 would require the Public Utility Commission or an applicable municipal governing body, in considering an electric utility's capitalization ratio when establishing the utility's rates, to presume the proportion of debt and equity was reasonable if it was calculated:

- using the utility's actual proportion of long-term debt and equity capitalization as recorded in the utility's books and records for the most recent available financial quarter before the initiation of the applicable rate proceeding; and
- in a manner consistent with the methodology included in earnings monitoring reports.

If the regulatory authority found that the capitalization ratio was unreasonable, it would have to use an equity capitalization ratio equal to the national average for electric utility operating companies.

CSHB 2868 would apply only to an electric utility that operated solely within ERCOT.

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: Authorizing schools to administer certain writing portfolio assessments

COMMITTEE: Public Education — favorable, without amendment

VOTE: 12 ayes — Buckley, Bernal, Allen, Ashby, Bryant, Cunningham, Dutton, Frank, Hinojosa, Hunter, Kerwin, Leach

2 nays — Leo Wilson, Schoolcraft

1 absent — Talarico

WITNESSES: For — (*Registered, but did not testify*: Tricia Cave, Jessica Rutherford, Association of Texas Professional Educators (ATPE); Raif Calvert, TASB; Kelsey Kling, Texas AFT; Colby Nichols, Texas Association of Community Schools; Casey McCreary, Texas Association of School Administrators; Quinn McCall, Texas Classroom Teachers Association; Rachael Abell, Texas PTA; Carrie Griffith, Texas State Teachers Association; and 20 individuals)

Against — None

On — (*Registered, but did not testify*: Jose Rios, Texas Education Agency; Zenobia Joseph; Jennifer Kost; Daniela Sanchez-Salinas)

BACKGROUND: In 2015, the Legislature established a pilot program to assess the use of writing portfolios as an alternative to the written portion of certain standardized tests and end-of-course tests. Some have suggested that school districts should be authorized to choose to use a writing portfolio assessment program as an alternative to such tests.

DIGEST: HB 1249 would authorize a school district to elect to use a writing portfolio assessment to assess writing performance for students enrolled in the district as an alternative to administering the portion of a statewide standardized reading test for third through eighth grade or an English I or English II end-of-course assessment instrument that was not presented in a multiple choice format. A school district would not be required to administer such standardized assessments during the period the district

was administering the writing portfolio assessment. The Texas Education Agency (TEA) would have to apply cost savings that resulted from the exemption to offset the cost accrued under the bill.

A district that elected to use a writing portfolio assessment would have to design the assessment in consultation with a higher education institution and submit it to TEA for approval. TEA would have to approve the assessment if it was determined by the higher education institution to be valid and reliable and designed to assess:

- a student's mastery of the essential knowledge and skills in writing through timed writing samples;
- improvement of a student's writing skills from the beginning to the end of the school year;
- a student's ability to follow the writing process from rough draft to final product; and
- a student's ability to produce more than one type of writing style.

A district that elected to use a writing portfolio assessment could adopt a policy allowing the assessment to be scored by a classroom teacher assigned to the same campus as the student taking the assessment. The district could coordinate with its regional education service center in grading the assessments.

The bill would apply beginning with the 2025-2026 school year 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: Amending sanitarian and sanitarian-in-training certification requirements

COMMITTEE: Licensing & Administrative Procedures — favorable, without amendment

VOTE: 12 ayes — Phelan, Thompson, Gerdes, Geren, Harless, Harris, Hernandez, Longoria, McQueeney, Patterson, M. Perez, Romero

0 nays

1 absent — Walle

WITNESSES: For — None

Against — None

On — Doug Jennings, TDLR

BACKGROUND: Some have suggested that updates to state laws regarding sanitarians and sanitarians in training should be made to address concerns raised about inconsistencies in professional standards and oversight.

DIGEST: HB 4766 would amend sanitarian certification of registration requirements to include that an individual would have to meet the eligibility requirements prescribed by existing provisions and Texas Commission of Licensing and Regulation rules.

The bill would define a "sanitarian in training" as an individual training in sanitary science while engaged in sanitation. The bill would amend sanitarian in training certification of registration requirements to include that an individual would be required to have less than one year of full-time experience in sanitation.

The bill would require the Texas Department of Licensing and Regulation (TDLR) to renew a certificate of registration if the certificate holder met certain requirements.

The bill would remove references to “professional” and replace references to “person” with “individual” in provisions regarding sanitarians.

The bill would repeal certain provisions:

- prohibiting an applicant from taking the sanitarian certification exam unless they paid the required exam fee; and
- requiring TDLR to carefully consider an applicant’s knowledge and understanding of sanitation principles and physical, biological, and social sciences when evaluating an applicant’s exam performance.

The bill would take effect September 1, 2025.

SUBJECT: Requiring the construction of certain bridges in Harris County

COMMITTEE: Transportation — committee substitute recommended

VOTE: 9 ayes — Craddick, M. Perez, Curry, Gámez, Harris Davila, Little, C. Morales, E. Morales, Paul

3 nays — Hefner, LaHood, Patterson

1 absent — Canales

WITNESSES: For — (*Registered, but did not testify*: Ben Wright, BLET/TXSLB; Joshua Sanders, City of Houston; Adam Haynes, Conference of Urban Counties; Dennis Kearns, Texas Railroad Association; Steven Deline)

Against — None

On — (*Registered, but did not testify*: Jeff Davis, Texas Department of Transportation)

BACKGROUND: Concerns have been raised that several new developments in Harris County are projected to increase its population and exacerbate traffic congestion at railroad crossings, especially when a train stops on the tracks and prevents traffic flow.

DIGEST: CSHB 3720 would require the Texas Department of Transportation (TxDOT), for the purpose of reducing traffic congestion on public roads, to develop a plan, conduct an environmental review, propose a design for, and construct two bridges in Harris County crossing the railroad tracks at the following intersections to provide rail-roadway grade separation:

- the intersection of Little York Road and Hirsch Road; and
- the intersection of Tidwell Road and Hirsch Road.

The bill would take effect September 1, 2025.

NOTES: According to the Legislative Budget Board, the bill would have a negative impact of $85,000,000 to general revenue related funds through the biennium.

SUBJECT: Creating rebuttable presumption in suit between parent and nonparent

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 — Jeremy Newman, Family Freedom Project; Lynn Kamin, Texas Family Law Foundation; Andrew Brown, Texas Public Policy Foundation; Karl Hays; George Saldana; Cody Taylor; Bryant Wilson; Cecilia Wood (*Registered, but did not testify*: Julia Hatcher, Texas Association of Family Defense Attorneys; Amy Bresnen, Texas Family Law Foundation; Steven Deline; Steve Wofford)

Against — None

On — (*Registered, but did not testify*: Vicki Kozikoujekian, Dept. of Family and Protective Services)

BACKGROUND: Some have suggested codifying a Supreme Court of Texas ruling clarifying that suits by nonparents requesting conservatorship, possession, or access to a child must overcome the presumption that a parent acts in the best interest of the parent's child.

DIGEST: CSHB 4656 would require a nonparent, in a suit affecting the parent-child relationship in which another party was a parent of the child, to execute and serve an affidavit that:

- attested, based on the nonparent's personal knowledge or representations made to the nonparent, that denying the relief sought by the nonparent would significantly impair the child's physical health or emotional development; and
- contained facts that supported the nonparent's allegation.

The court would be required to deny the relief sought and dismiss the suit unless the court determined that the affidavit contained facts adequate to support the allegation of the nonparent.

The bill would create a rebuttable presumption in a suit between a parent and a nonparent that a parent acted in the best interest of the parent's child and it was in the best interest of a child to be in the care, custody, and control of a parent.

The nonparent could overcome the rebuttable presumption by proving by clear and convincing evidence that denial of relief would significantly impair the child's physical health and emotional development. If the court granted relief to the nonparent, the court would be required to state the specific facts that supported the court's finding that denying the relief would significantly impair the child's physical health or emotional development and that the rebuttable presumption had been overcome.

In a suit for modification between a parent and a nonparent, the nonparent would have to overcome the rebuttable presumption stated above and could not overcome the presumption on the basis of a prior order granting relief to the nonparent if the parent agreed to the prior order.

The bill would apply to a suit affecting the parent-child relationship that was pending in a trial court on or after the effective date.

The bill would take effect September 1, 2025.

SUBJECT: Creating a grant program to assist in testing for delta-9 THC

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

VOTE: 8 ayes — Hefner, Dorazio, Hickland, Holt, Isaac, Louderback, McLaughlin, Pierson

2 nays — R. Lopez, Canales

1 absent — Cortez

WITNESSES: For — (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court; Josie Castro Garcia, Dallas County; Robin Foster, Harris County Deputies' Organization FOP Lodge 39; Ray Hunt, Houston Police Officers' Union; Adrian Martinez and Carlos Ortiz, San Antonio Police Officers Association (SAPOA); Brian Hawthorne, Sheriffs' Association of Texas; Shelton Green, Texans for Safe and Drug-Free Youth; Lance Lively, Texas Package Stores Association; Bryan Flatt, TMPA; Doug Davis and Tom Spilman, Wholesale Beer Distributors of Texas)

Against — (*Registered, but did not testify*: Alycia Castillo, Texas Civil Rights Project; Steven Deline)

BACKGROUND: Code of Criminal Procedure art. 2A.001 (1), (2), and (3) define a "peace officer" as a sheriff, a sheriff's deputy, reserve deputy sheriff, constable, deputy constable, reserve deputy constable, marshal or police officer of a municipality, or a reserve municipal police officer who holds a certain permanent peace officer license issued under Chapter 1701, Occupations Code.

Concerns have been raised that there are insufficient resources available to law enforcement to test certain products that are suspected to contain amounts of tetrahydrocannabinol (THC) over the legal limit.

DIGEST:

CSHB 4879 would require the governor's criminal justice division to establish and administer a grant designed to assist the agency in testing a substance suspected of containing delta-9 tetrahydrocannabinol (THC) in a concentration that exceeded 0.3 percent on a dry weight basis.

A law enforcement agency could be eligible to receive a grant only if it:

- employed one or more peace officers described by Code of Criminal Procedure Article 2A.001 (1), (2), and (3); and
- had entered into a written agreement with the appropriate state attorney to evaluate all evidence submitted by the agency from the testing, in order to determine whether prosecution was appropriate.

The criminal justice division would be required to establish:

- eligibility criteria and procedures for grant applications;
- guidelines relating to grant amounts; and
- procedures for evaluating grant applications.

Grant money awarded under the program could only be used to pay a third-party laboratory for testing a substance to determine the concentration of THC. A law enforcement agency that received a grant would be required to report annually:

- the number of substances and the dry weight of substances that were tested using a grant awarded under the program;
- the number of substances and the dry weight of substances tested that contained THC in a concentration exceeding 0.3 percent on a dry weight basis;
- the types of substances tested and the average cost to test each type of substance;
- the number of citations or warrants issued based on the testing of substances under a grant awarded and the status of these cases; and
- any other information required by the criminal justice division.

The criminal justice division would be required to include in a separately required biennial report a detailed reporting of the results and performance

of the grant program administered, including data aggregated by region as determined by the division.

The division could use any revenue available for purposes of the bill and would be required to adopt rules as necessary to administer it.

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 the Texas Jobs, Energy, Technology, and Innovation Act

COMMITTEE: Ways & Means — committee substitute recommended

VOTE: 10 ayes — Meyer, Martinez Fischer, Bernal, Button, Capriglione, Hickland, Muñoz, Noble, V. Perez, Turner

0 nays

3 absent — Gervin-Hawkins, Troxclair, Vasut

WITNESSES: For — Jenna Saucedo-Herrera, Greater: SATX; John Valls, Robstown Area Development Commission; Glenn Hamer, Texas Association of Business; Robert Wood, Texas Chemistry Council, Texas Association of Manufacturers, Texas Oil and Gas Association; Carl Walker, Texas Taxpayers and Research Association (*Registered, but did not testify*: Revlynn Lawson, AECT; Mark Bell, Association of Electric Companies of Texas; Travis Krogman, Austin Chamber of Commerce; Martha Landwehr, BASF; Jake Posey, Bell-Textron; Margo Cardwell, Chevron Phillips Chemical; Leah Clark, City of Georgetown; Nadia Islam, City of San Antonio; Chris Noonan, Covestro; Rebekah Chenelle, Dallas Regional Chamber; Sam Gammage, Dow; Elisa M. Tamayo, El Paso County; Buddy Garcia, Element Fuels; Scott Hutchinson, Entergy Texas; Christin Evans, Enterprise Products; Cade Tredway, ExxonMobil; Steve Montgomery, Fort Worth Chamber; Rebecca Montgomery, Frisco Chamber; Rebecca Montgomery, Greater Arlington Chamber; Kaitlyn Murphy, Greater Houston Partnership; Rebecca Montgomery, Hurst Euless Bedford Chamber; Becky Redman, Lockheed Martin Aeronautics; Mindy Ellmer, LyondellBasell; Ross Giesinger, National Association of Chain Drug Stores; Michele Boggs, Michael Crowley, New Braunfels Chamber of Commerce; Marc Rodriguez, North Texas Commission; Erika Akpan, NRG Energy; Matt Creel, Stacy Schmitt, Opportunity Austin; Julie Moore, Oxy; Rebecca Montgomery, Parker County Chamber; Walt Baum, Powering Texans; Jordan Robinson, Round Rock Chamber; Dana Pate, Samsung; Leticia Van de Putte, San Antonio Chamber of Commerce; James Lovett, SH 130 Concession Co.; Lucinda Saxon, Texas Association of Staffing; Hector Rivero, Texas Chemistry

Council; Matt Abel, Texas Economic Development Council; Arthur Granado)

Against — Rosalie Tristan, Industrial Areas Foundation; Cyrus Reed, Lone Star Chapter Sierra Club; Robin Stilwell, TMO; Brandon Miles, Tx IAF (*Registered, but did not testify*: Adrian Shelley, Public Citizen; Steven Deline)

On — (*Registered, but did not testify*: Desiree Caufield, Brad Reynolds, Texas Comptroller of Public Accounts; Adriana Cruz, Texas Economic Development & Tourism, Office of the Governor)

BACKGROUND:

Government Code sec. 403.602(8) defines an "eligible project" under the Texas Jobs, Energy, Technology, and Innovation (JETI) Act as a project to construct or expand critical infrastructure, a manufacturing facility, a facility related to the provision of utility services, a facility related to the development of natural resources, or a facility engaged in research, development, or manufacture of high-tech equipment or technology.

Government Code sec. 403.612 provides that the governor, a school district, and an applicant to the JETI tax abatement program may enter into an agreement that limits the taxable value of certain property of the applicant. The agreement must meet certain requirements, including that it must require that the average annual wage paid to all persons employed by the applicant in connection with the project used to calculate total jobs exceed 110 percent of the average annual wage for all jobs in the applicable industry sector during the most recent four quarters, with the applicant's average annual wage being equal to the quotient of:

- the applicant's total wages paid, other than wages paid for construction jobs; and
- the applicant's number of total jobs created by the project.

Some have suggested that amending the JETI program to further incentivize new projects would help the program remain competitive with tax incentive programs offered by other states.

DIGEST:

CSHB 105 would make several changes to the Texas Jobs, Energy, Technology, and Innovation Act (JETI) related to eligible projects and other program requirements.

The bill would establish a new type of eligible project under JETI known as a priority project. The bill would define "priority project" as an eligible project as defined by Government Code sec. 403.602(8) for which an applicant agreed to invest an amount of at least $750 million by the end of the first tax year of the incentive period prescribed by the agreement pertaining to the project. A priority project would not be subject to the requirement that an applicant create a certain number of jobs in order to be eligible to enter into an agreement.

The bill also would remove a requirement for approval that an agreement relating to certain proposed electric generation facilities had to be a compelling factor in a competitive site selection determination and that, in the absence of the agreement, the applicant would not make the proposed investment in the state.

CSHB 105 would amend the average annual wage requirement of an applicant under Government Code sec. 403.612 by limiting the average annual wage calculation to only the jobs created by the applicant's project, rather than all jobs in connection with the project. The average annual wage required of the applicant would have to be at least 110 percent of the average annual wage for manufacturing jobs in the county where the project was located, rather than 110 percent of the average annual wage for all jobs in the applicable industry sector.

The bill would require the comptroller to notify a school district after receiving a JETI application that was applicable to the district.

The bill would take effect September 1, 2025.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of $4,658,000 to general revenue related funds through the biennium. LBB estimates the negative impact would increase to $143,900,000 in the biennium ending August 31, 2035.

SUBJECT: Amending medical examiner and medical assistant qualifications

COMMITTEE: Intergovernmental Affairs — committee substitute recommended

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

0 nays

WITNESSES: For — Stephen Pustilnik MD

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

BACKGROUND: Concerns have been raised that the qualifications required to serve as a medical examiner vary significantly by jurisdiction, which could create disparities in the standards applied to death investigations.

DIGEST: CSHB 5383 would require a person appointed as a medical examiner to hold a certification in anatomic pathology and forensic pathology issued by the American Board of Pathology.

The bill would authorize a medical examiner to employ an assistant and specify that an assistant or deputy medical examiner also would be required to hold or be eligible to hold a certification issued by the American Board of Pathology in anatomic pathology and forensic pathology.

The bill would repeal a provision requiring a medical examiner to be appointed from persons having training and experience in pathology, toxicology, histology, and other medico-legal sciences to the extent possible.

The bill would take effect September 1, 2025.

SUBJECT: Authorizing the electronic return of a marriage license

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

Against — (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court)

On — Aaron Taliaferro, Tarrant County Government Affairs Director on behalf of the Tarrant County Clerk.; Heidi Easley, Victoria County Clerk (*Registered, but did not testify*: Josie Castro Garcia, Dallas County; Teneshia Hudspeth, Harris County Clerk)

BACKGROUND: Some have suggested that explicitly authorizing a judge to electronically return a marriage license to the county clerk could reduce administrative delays and allow couples to receive their marriage licenses more expeditiously.

DIGEST: CSHB 4621 would authorize a current federal or state judge who conducted a marriage ceremony to return the marriage license electronically by scanning the completed license and electronically submitting the scanned image to the county clerk who issued the license. The judge would be required to provide the completed license to the applicants after electronically submitting the scanned image. The bill would exempt an electronically submitted license from the requirement for a clerk to mail the license to the applicant.

The bill would take effect September 1, 2025.

SUBJECT: Exempting certain elected members from post-reapportionment elections

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

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

0 nays

WITNESSES: For — (*Registered, but did not testify*: Monty Wynn, Texas Municipal League)

Against — None

BACKGROUND: Concerns have been raised that a municipality that is divided into districts, wards, or other areas from which members of its governing body are elected are required to hold an election for every member of the governing body after each reapportionment, including the mayor and at-large members who are not otherwise affected by apportionment.

DIGEST: HB 5431 would exempt a municipality that elected one or more members of its governing body at-large, including the office of the mayor, from having to hold an election for those positions following apportionment unless the term of office of the at-large member or mayor would otherwise expire under applicable law.

The bill would take effect September 1, 2025.

SUBJECT: Creating the Rivers Market Place Municipal Management District

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

VOTE: 10 ayes — C. Bell, Zwiener, Cole, Cortez, Garcia Hernandez, Cassandra, Leo Wilson, Luther, Rosenthal, Spiller, Tepper

1 nay — Lowe

WITNESSES: For — Ross Martin, Winstead PC

Against — None

BACKGROUND: Some have proposed that a certain area within the City of Elgin would benefit from the creation of a management district.

DIGEST: HB 5375 would create the Rivers Market Place Management District. The purpose of the district would be to serve a public use and benefit, including by:

- promoting the health, safety, and general welfare of residents, employers, employees, visitors, consumers, and the public;
- providing needed funding to maintain and enhance the economic health and vitality of the district;
- providing for the restoration, preservation, and enhancement of scenic beauty through certain activities; and
- providing for water, wastewater, drainage, road, and recreational facilities in the district.

The district would be created to supplement and not to supplant county or municipal services provided in the district. The district would not act as the agent or instrumentality of any private interest.

All or any part of the district would be eligible to be included in a tax increment reinvestment zone or a tax increment abatement zone.

Powers and duties. The district would have the powers and duties necessary to accomplish the purposes for which it was created. The district would be authorized to:

- provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an authorized improvement project or service;
- create a nonprofit corporation to assist and act for the district;
- join and pay dues to a charitable or nonprofit organization that performed services consistent with district purposes;
- establish and provide for the administration of programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to make loans and grants and provide district personnel and services;
- create economic development programs and exercise economic development powers provided to municipalities;
- acquire, lease, construct, develop, own, operate, and maintain parking facilities;
- add or exclude land;
- be divided into two or more new districts under certain conditions and procedures; and
- exercise the power of eminent domain as provided by certain provisions of the Water Code.

Board of directors. The district would be governed by a board of five elected directors, who would serve staggered four-year terms. The district could compensate each director with up to $150 for each board meeting. Total compensation for each director would be limited to $7200 annually. Each director would be entitled to reimbursement for expenses incurred while carrying out board duties.

On or after the bill's effective date, the owner or owners of a majority of the assessed value of the district's real property could submit a petition to the Texas Commission on Environmental Quality requesting that the commission appoint five individuals as temporary directors, and the commission would be required to make the appointments. The temporary directors would then be required to hold an election to elect five permanent directors.

Assessments. The board could not finance a service or improvement project with assessments unless a written petition requesting that service or improvement that had been signed by the owners of a majority of the assessed value of real property in the district had been filed with the board.

The board by resolution could impose and collect an assessment for any authorized purpose in all or any part of the district. An assessment, penalties and interest on an assessment, an expense of collection, and reasonable attorney's fees incurred by the district would be:

- a first and prior lien against the property assessed;
- superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and
- the personal liability of and a charge against the owners of the property even if the owners were not named in the assessment proceedings.

The lien would be effective from the date of the resolution imposing the assessment until the date the assessment was paid. The board could enforce the lien in the same manner that the board could enforce an ad valorem tax lien against real property.

Taxes and bonds. The district would be required to hold an election to obtain voter approval before the district could impose a property tax. If authorized, the district could impose an operation and maintenance tax on taxable property in the district for any district purpose. The board would be required to determine the operation and maintenance tax rate, which could not exceed the rate approved at the election.

The district could borrow money on terms determined by the board and issue bonds, notes, or other obligations to pay for any authorized district purpose. The district could issue, without an election, bonds secured by revenue other than property taxes or contract payments under certain conditions. If authorized at an election, the district could issue bonds payable from property taxes. The board could not issue bonds until each

municipality in the district had consented to the creation of the district and to the inclusion of land in the district.

Dissolution. The board would be required to dissolve the district on written petition filed by the owners of at least two-thirds of the assessed value of the property that was subject to assessment by the district or filed by the owners of at least two-thirds of the surface area of the district, with certain exclusions. The board could dissolve the district at any time by majority vote, under certain conditions regarding outstanding debt and operations.

Implementation. The bill would specify the territory included in the district.

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, 2023.

SUBJECT: Authorizing electronic postings of commissioners court meeting agendas

COMMITTEE: Intergovernmental Affairs — committee substitute recommended

VOTE: 10 ayes — C. Bell, Zwiener, Cortez, Garcia Hernandez, Leo Wilson, Lowe, Luther, Rosenthal, Spiller, Tepper

0 nays

1 absent — Cole

WITNESSES: For — (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court; Rick Thompson, County Judges and Commissioners Association of Texas; Josie Castro Garcia, Dallas County; Elisa M. Tamayo, El Paso County; Santiago Franco, Harris County Commissioners Court; Larry Woolley, Johnson County and County Judges & Commissioners Association of Texas; Aaron Taliaferro, Tarrant County Administrator's Office; Julie Wheeler, Travis County Commissioners Court; Ben Zeller, Victoria County; Steven Deline)

Against — None

BACKGROUND: Some have suggested that county officials should be allowed to post meeting agendas digitally and physically for convenience.

DIGEST: CSHB 5534 would authorize a county clerk to post the agenda for a meeting of the commissioners court by electronic display instead of posting a physical document.

The bill would provide a county governmental body with the option to post the required notice on an electronic display as an alternative to a physical posting on a bulletin board.

The bill would take effect September 1, 2025.

SUBJECT: Designating the Fire Marshal Jimmy W. Seaton Memorial Highway

COMMITTEE: Transportation — favorable, without amendment

VOTE: 12 ayes — Craddick, M. Perez, Canales, Curry, Gámez, Harris Davila, Hefner, LaHood, Little, E. Morales, Patterson, Paul

0 nays

1 absent — C. Morales

WITNESSES: For — (*Registered, but did not testify*: Jennifer Szimanski, Combined Law Enforcement Associations of Texas (CLEAT); Joe Morris and Larry Young, Game Warden Peace Officers Association; Ray Hunt, Houston Police Officers' Union; J. Pete Laney, State Firefighters & Fire Marshals Association; John Wilkerson, Texas Municipal Police Association (TMPA); Steven Deline)

Against — None

BACKGROUND: Some have suggested that the life and legacy of Fire Marshal Jimmy W. Seaton of Smith County should be formally honored to memorialize his service to the community and country.

DIGEST: HB 4174 would designate a portion of State Highway 64 in Smith County between its intersection with State Highway Loop 323 and its intersection with the western Smith County line as the Fire Marshal Jimmy W. Seaton Memorial Highway. The designation would be in addition to any other designation.

Subject to provisions in the Transportation Code requiring a grant or donation of funds to cover the cost of the maker, the bill would require the Texas Department of Transportation to design and construct markers indicating the designation, along with any other appropriate information, and erect the markers at each end of the highway and the appropriate intermediate sites along the highway.

The bill would take effect September 1, 2025.

SUBJECT: Establishing the Texas Land, Water, and Wildlife Conservation Account

COMMITTEE: Natural Resources — favorable, without amendment

VOTE: 13 ayes — Harris, Martinez, Ashby, Barry, C. Bell, Buckley, Fairly, Gámez, J. Garcia, M. González, Romero, Villalobos, Zwiener

0 nays

WITNESSES: For — Marie Camino, The Nature Conservancy in Texas; Stan Graff (*Registered, but did not testify*: Emily Love, Cross Oak Group; Luke Metzger, Environment Texas; Charles Maley, South Texans' Property Rights Association; Jennifer Allmon, Texas Catholic Conference of Bishops; Steven Deline)

Against — None

On — Kendal Kowal, Texas Water Development Board (*Registered, but did not testify*: Matt Wagner Ph.D, Texas Chapter of The Wildlife Society; Colby Eaves, Kristalle Schmidt, Texas General Land Office)

BACKGROUND: Concerns have been raised that the state's rapid population growth, urban expansion, and increasing demands on natural resources have placed significant pressure on Texas land, water, and wildlife. Some have suggested that establishing a long-term funding mechanism to support conservation efforts could ensure the protection of critical habitats, the use of sustainable land use practices, and the preservation of public recreational spaces for future generations.

DIGEST: HB 4212 would establish the Texas Land, Water, and Wildlife Conservation Account as a separate account in the general revenue fund. The Texas Land, Water, and Wildlife Conservation Board, as established by the bill, could use the account only to:

- award a grant to an entity for a public parks or natural areas project or a natural resource conservation project as provided by the bill;

- award a grant to provide matching funds to an entity to participate in a federal program for a public parks or natural areas project or a natural resource conservation project; or
- pay the necessary and reasonable expenses to administer the account, not to exceed 2 percent of money disbursed from the account in any given year.

The account could not be used to facilitate the use of eminent domain for the acquisition of real property or for the acquisition or transfer of real property to be managed by the federal government.

The General Land Office (GLO) would be required to enter into an agreement with the conservation board for the management, operation, and financial support of the account. The agreement would have to establish the expectations and goals of GLO regarding the management of the account, including the transfer of any state money from the account, and standards for the management of the account.

Eligibility. Projects eligible for a grant from the account would include:

- a public parks or natural areas project that benefited, protected, or enhanced public access in general or benefited, protected, or enhanced a recreational trail or trail easement; and
- a wildlife conservation project that studied the population decline of game species in Texas, studied the economic impact of game species populations to rural areas of the state, or facilitated the long-term protection or restoration of declining game species.

Eligible projects also would include a natural resource conservation project that benefited, protected, or enhanced:

- farm, ranch, or forest land through a project under the Texas Farm and Ranch Land Conservation Program, or by other means, including by creating a conservation or agricultural conservation easement or by conserving forest lands;

- wildlife or a wildlife habitat, including acquisition of a land or conservation easement for protection of a wetland or wildlife habitat;
- a project that used water resources for water quality and quantity, including aquifer recharge area protection, acquisition of land or conservation easements for protection and enhancement of a water resource, and dedication for 10 years or more of a water right or permit allocation to maintain or improve instream flows, spring flows, and bay and estuary inflows; and
- a restoration project that prevented soil erosion, reduced loss of wildlife habitat, or restored native grassland on agricultural land; restored critical wildlife habitat, maintained or enhanced fish or wildlife habitat, or restored a wetland; or enhanced spring flow, restored a stream, river, or riparian area, or improved water quality.

The bill would define "public access" as a land or water area for human use and enjoyment that was relatively free of man-made structures and included land and water parks owned or operated by the state or a political subdivision.

The conservation board would be authorized to award a grant under the bill only to conservation and reclamation districts, certain other districts and authorities created by the state constitution, municipalities, counties, state agencies, or nongovernmental entities.

The bill would require the conservation board by rule to establish criteria for setting priorities for the projects eligible to receive grants. The criteria would have to include:

- the project’s use of matching funds;
- the potential to maximize benefits in multiple eligible project areas;
- the long-term sustainability and benefits of the project;
- coordination and integration with other relevant projects necessary for the success of the project;

- the regional and eco-regional diversity of the project; and
- the overall ecological benefit of the project.

Application. The board would have to implement an application process to select eligible projects in accordance with priority criteria established by the bill. If the conservation board received a sufficient number of applications for eligible projects, the board would be required to allocate 50 percent of the funding in any cycle to public parks or natural areas projects and 50 percent to natural resource conservation projects.

The conservation board would be required to establish a grant program to provide financial assistance to eligible entities for conservation planning, application preparation, and administrative costs associated with eligible projects. The bill would require the board to provide guidance to applicants for projects that were eligible under more than one funding category.

The board could approve an application only if it found that the application and the assistance applied for met the requirements of the bill and rules adopted under the bill, and the applicant demonstrated the ability to complete the project.

Texas Land, Water, and Wildlife Conservation Board. The Texas Land, Water, and Wildlife Conservation board would be composed of eight members, including:

- the GLO commissioner;
- the executive director of the Texas Commission on Environmental Quality or the executive director's designee;
- the executive director of the Texas Parks and Wildlife Department or the executive administrator's designee;
- the executive director of the State Soil and Water Conservation Board;
- a member of the public appointed by the governor;
- a member of the public appointed by the lieutenant governor; and

- a member of the public appointed by the speaker of the House of Representatives.

The conservation board would be required to:

- manage the account in accordance with the agreement entered into with the GLO;
- oversee the research, recommendations, and allocation of funding for initiatives relating to habitat management, population restoration of wild game species, and beneficial land, water, and wildlife conservation practices in this state;
- support research organizations and entities that advanced the interests of Texas hunters and landowners and fostered rural economic development;
- encourage interagency coordination, best practices standardization, and cost-saving measures in the board's activities;
- evaluate volunteer research initiatives related to land, water, and wildlife management and best practices; and
- submit to the Legislature the report required by the bill.

The bill would establish certain other provisions related to the board, including the frequency with which they must meet, compensation, and the selection of other board officers.

The GLO commissioner would serve as the presiding officer of the board and would be authorized to establish a technical advisory committee composed of individuals with professional or academic experience in a field related to the board's duties. GLO would be required to provide administrative support to the conservation board.

Texas Land, Water, and Wildlife Governance Committee. The Texas Land, Water, and Wildlife Conservation Governance Committee would be composed of one representative appointed by each board member and three representatives appointed by the conservation board from nongovernmental entities who had relevant experience.

The governance committee would be required to assist in developing and evaluating the application process and scoring criteria for project funding, recommendations to the conservation board, and other items as directed by the board.

Report. By September 1 of each even-numbered year, the board would be required to prepare and submit to the Legislature a report quantifying the benefits of projects that received grants under the bill. The report would have to include recommendations for methods to effectively conserve and restore land, water, and wildlife resources through projects eligible to receive grants under this subchapter and a summary analysis of the potential economic impacts of these recommendations. The board would be required to submit an initial report by September 1, 2027.

Rules. The bill would require the conservation board to adopt rules necessary to implement the program, including rules that established procedures for the administration of the account and an application for a project grant from the account. The conservation board could adopt rules to ensure that a policy or practice of the board did not prevent qualification for or the use of federal matching funds.

The bill would take effect September 1, 2025.

NOTES:

According to the Legislative Budget Board, the fiscal implications of the bill cannot be determined due to the amounts of any transfers, appropriations, potential dedicated revenue, interest earnings, gifts, grants, donations, or other contributions to the account being unknown. In addition, the timing, amount, and type of projects or grants that may be funded and the necessary associated administrative costs are also unknown.

SUBJECT: Using certain municipal tax revenue for hotel and convention projects

COMMITTEE: Ways & Means — committee substitute recommended

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

0 nays

1 absent — Troxclair

WITNESSES: For — Victor Gonzales, City of Pflugerville (*Registered, but did not testify*: Sereniah Breland, Thomas Hunter, and David Rogers, City of Pflugerville; Justin Bragiel, Texas Hotel & Lodging Association; Ron Hinkle, Texas Travel Alliance; Steven Deline)

Against — None

On — (*Registered, but did not testify*: Lara Abi Habib, Julio Mendoza-Quiroz, and Elliott Reed, Texas Comptroller of Public Accounts)

BACKGROUND: Some have suggested that additional municipalities should be authorized to obligate certain tax revenue derived from a hotel and convention center project to support related infrastructure and debt service costs.

DIGEST: CSHB 3954 would authorize a municipality that had a population between 10,000 and 75,000; was located in two counties, one of which was a county in which the State Capitol was located; and hosted an annual German festival to impose and collect certain tax revenues derived from municipal hotel and convention center projects and use that tax revenue to cover costs related to the project.

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: Requiring notice for new commercial passenger bus sites

COMMITTEE: Transportation — favorable, without amendment

VOTE: 12 ayes — Craddick, M. Perez,, Curry, Gámez, Harris Davila, Hefner, LaHood, Little, C. Morales, E. Morales, Patterson, Paul

0 nays

1 absent — Canales

WITNESSES: For — (*Registered, but did not testify*: Susan Stewart)

Against — None

BACKGROUND: Concerns have been raised about a lack of communication surrounding the establishment of commercial bus stops, which can create safety issues for residents in the surrounding area.

DIGEST: HB 3966 would require the owner or operator of a commercial passenger bus service to provide written notice to residents living within two miles of a new bus stop, terminal, or other installation in Texas at least 90 calendar days prior to commencing operation at the new site. The notice, which must be delivered by mail, would need to include the address or a description of the new installation's location.

The bill would take effect September 1, 2025.

SUBJECT: Revising procedures for unclaimed restitution payments

COMMITTEE: Corrections — favorable, without amendment

VOTE: 9 ayes — Harless, V. Jones, Allen, Harrison, Lowe, Lozano, Meza, Schatzline, Wharton

0 nays

WITNESSES: For — Patti Henry, County and District Clerks Association of Texas (*Registered, but did not testify*: Jennifer Szimanski, Combined Law Enforcement Associations of Texas; Cole Meyer, Texas Appleseed)

Against — None

On — (*Registered, but did not testify*: Bryant Clayton, Comptroller of Public Accounts; Ron Steffa, TDCJ)

BACKGROUND: Under Code of Criminal Procedure, art. 42.037 and Government Code, sec. 508.322, restitution payments collected for victims of crime are held by clerks of the court. If a victim cannot be located or fails to claim those funds within five years, the payments are considered abandoned and reported to the comptroller as unclaimed property.

Concerns have been raised that unclaimed restitution payments sit unused and that county clerks lack a direct mechanism to ensure these funds continue to benefit crime victims.

DIGEST: HB 3636 would amend relevant provisions of the Code of Criminal Procedure and the Government Code to require that if a victim did not claim restitution funds within three years of the date the clerk of the court received the initial restitution payment, or if a victim could not be located for three years after the date the clerk last made a payment to the victim, the unclaimed funds would be transferred to the compensation to victims of crimes fund.

The bill also would require the Texas Department of Criminal Justice to include the victim's last known address when transferring restitution payments to a county clerk. The department also would be required to provide a history of past payments made to the victim, including the date, amount, and recipient address for each payment. Information provided to a clerk under these provisions would be confidential and not subject to public disclosure under the Public Information Act.

The bill would take effect September 1, 2025.

SUBJECT: Requiring municipalities to publish online local political sign regulations

COMMITTEE: Elections — favorable, without amendment

VOTE: 5 ayes — Shaheen, Isaac, Plesa, Toth, Wilson

0 nays

4 absent — Bucy, Morales Shaw, Raymond, Swanson

WITNESSES: For — Emily French, Common Cause Texas; Ed Johnson, Harris County Ballot Security; Dr. Laura Pressley, True Texas Elections; Kathy Haigler; Ken Moore (*Registered, but did not testify*: Jennifer Doinoff, Texas Association of County Election Officials; Veronikah Warms, Texas Civil Rights Project; Jay Williamson, The County and District Clerks' Association of Texas; Susana Carranza; Thomas Parkinson; Leslie Thomas)

Against — (*Registered, but did not testify*: Russell Hayter)

BACKGROUND: Some have suggested that requiring municipalities to make campaign sign regulation information more readily available would help improve transparency and help entities comply with the wide variety of regulations that exist across municipalities.

DIGEST: HB 3918 would require the governing body of each municipality to publish on its website a copy of any local regulation governing the placement of political signs in the municipality's boundaries and a map outlining any area in the municipality in which the placement of political signs was specifically regulated or prohibited.

The clerk or secretary of the governing body of a municipality would be required to provide a copy of the local regulations and map to:

- each candidate for an office in the municipality;
- the elections officer of each political subdivision whose boundaries crossed into or were contained in the municipality's boundaries; and

- the county chair or clerk of each political party in the county in which the municipality was located or, if the seat was vacant, the state chair of that political party.

The bill would take effect September 1, 2025.

SUBJECT: Amending provisions related to sex offenses and victim rights

COMMITTEE: Criminal Jurisprudence — committee substitute recommended

VOTE: 8 ayes — Smithee, Bowers, Cook, J. Jones, Little, Louderback, Money, Virdell

0 nays

3 absent — Wu, Moody, Rodríguez Ramos

WITNESSES: For — Andy Kahan, Crime Stoppers Houston; April Aguirre (*Registered, but did not testify*: James Kershaw, Harris County Deputies' Organization FOP #39; Justin Wood, Harris County District Attorney's Office; Heidi Ruiz, Houston Police Department; Ray Hunt, Houston Police Officers' Union; Andrea Sparks, Not On Our Watch; Ashley Brooks, Texas Association Against Sexual Assault; Molly Voyles, Texas Council On Family Violence; John Wilkerson, Texas Municipal Police Association; Steven Deline; Thomas Parkinson)

Against — David Gonzalez, Texas Criminal Defense Lawyers Association

On — Brady Mills, Texas DPS Crime Lab (*Registered, but did not testify*: Brian Hawthorne, Sheriffs' Association of Texas)

BACKGROUND: Provisions of the Code of Criminal Procedure ch. 56A and Government Code ch. 420 govern the rights of survivors of sexual assault, including those regarding the preservation and testing of forensic evidence collected during medical examinations. Code of Criminal Procedure sec. 56A.306 requires the Department of Public Safety (DPS) to establish procedures for the transfer and preservation of this evidence. Government Code sec. 420.0735 requires victim consent before releasing forensic DNA testing.

Some have suggested that creating a separate offense for continuous sexual abuse involving multiple victims, enhancing penalties for certain sexual offenses, and revising procedures for survivor consent and forensic

DNA testing could improve public safety and strengthen protections for survivors.

DIGEST:

CSHB 1422 would amend the Penal Code, Government Code, and Code of Criminal Procedure to establish the offense for continuous sexual abuse, expand penalties for certain other sexual offenses, and revise procedures for survivor consent and forensic DNA testing.

Continuous sexual abuse offense. CSHB 1422 would create the first-degree felony (life in prison or a sentence of five to 99 years and an optional fine of up to $10,000) offense of continuous sexual abuse, defined as committing two or more acts of sexual abuse against two or more victims during a period of 30 or more days, if the actor was 17 years of age or older at the time of each act.

For purposes of this offense, an act of sexual abuse would include aggravated kidnapping with intent to abuse sexually, certain instances of indecency with a child, sexual assault, aggravated sexual assault, burglary with intent to commit certain sexual offenses, sexual performance by a child, certain trafficking of persons offenses, and compelling prostitution.

If the jury was the trier of fact, the jury would be required to unanimously agree that the defendant had committed two or more acts of sexual abuse against two or more victims during a period of 30 or more days, but would not be required to agree on which specific acts were committed or the exact dates of those acts.

A defendant could not be convicted of an underlying offense if the victim was the same as the victim for the continuous sexual abuse offense, unless the underlying offense:

- was charged in the alternative;
- occurred outside the period in which the alleged offense of continuous sexual abuse was committed; or
- was considered by the trier of fact to be a lesser included offense of the offense of continuous sexual abuse.

A defendant could not be charged with more than one count of continuous sexual abuse if all the specific acts of sexual abuse alleged were alleged to be committed against only two victims.

With respect to a prosecution under this section involving only two or more victims younger than 17 years of age, it would be an affirmative defense to prosecution that the actor:

- was not more than five years older than the youngest victim of the offense;
- did not use duress, force, or a threat against any victim of the offense during the alleged acts of sexual abuse; and
- at the time of the acts was not required to register as a sex offender or did not have a reportable conviction or adjudication for an offense of continuous sexual abuse or an act of sexual abuse as described by the bill.

A defendant convicted of continuous sexual abuse would be ineligible for certain deferred adjudication community supervision, judge-ordered community supervision, intensive supervision parole, or mandatory supervision, and could not be diverted to a halfway house through a presumptive parole date designation. A releasee convicted of continuous sexual abuse would be required to pay a parole supervision fee during the period of parole supervision. A conviction for continuous sexual abuse would be a reportable conviction or adjudication under the sex offender registration program, requiring the individual to register as a sex offender. The bill would expand the offenses of criminal solicitation of a minor and sexual coercion to include continuous sexual abuse.

Enhanced penalties for previous convictions. CSHB 1422 would treat continuous sexual abuse as a qualifying prior conviction for certain penalty enhancements, including:

- elevating a state-jail felony (180 days to two years in a state jail and an optional fine of up to $10,000) to a third-degree felony (two to 10 years in prison and an optional fine of up to $10,000);

- requiring life imprisonment for certain felonies involving sexual offenses or offenses with intent to commit a sexual offense; and
- elevating a child grooming offense from a third-degree felony (two to 10 years in prison and an optional fine of up to $10,000) to a second-degree felony (two to 20 years in prison and an optional fine of up to $10,000).

Sexual assault and aggravated sexual assault offenses. CSHB 1422 would remove the age restriction for consecutive sentencing in cases involving multiple counts of sexual assault or aggravated sexual assault, allowing sentences to run concurrently or consecutively regardless of the victim's age. The bill also would extend the 25-year mandatory minimum sentence for aggravated sexual assault to apply to offenses involving victims younger than 11 years of age, rather than victims younger than six years of age.

Voyeurism offense. CSHB 1422 would increase the penalty for voyeurism from a class C misdemeanor (maximum fine of $500) to a class A misdemeanor (up to one year in jail and/or a maximum fine of $4,000).

The bill also would revise the existing penalty enhancements for repeat voyeurism offenses, replacing the requirement for at least two prior convictions with a single prior conviction. If the victim was younger than 18 years of age at the time of the offense or the offense took place on the premises of a postsecondary educational institution the penalty also would be enhanced. These penalty enhancements would make the offense a state-jail felony (180 days to two years in a state jail and an optional fine of up to $10,000), rather than a class B misdemeanor.

CSHB 1422 also would increase the penalty for voyeurism to a third-degree felony (two to 10 years in prison and an optional fine of up to $10,000), rather than a state-jail felony, if the victim was younger than 18 years old, rather than 14 years old, and the actor had a prior conviction for voyeurism involving a minor.

Victim rights and forensic testing. CSHB 1422 would amend Government Code sec. 420.0735 to authorize a survivor or other authorized person to limit their consent to only permit forensic DNA

testing by DPS on biological evidence, regardless of whether a report of the offense was made to a law enforcement agency. DPS would be required to adopt a consent form, no later than December 1, 2025, to enable a survivor or other authorized person to provide this limited consent. The form would need to include a statement notifying the survivor that any results of the forensic DNA testing would not be compared to DNA profiles maintained in DNA databases and would not be used in a criminal investigation or trial unless the offense was reported to law enforcement.

DPS would be required to:

- provide the results of the forensic DNA testing to the survivor or other authorized person through the statewide electronic tracking system established under the Sexual Assault Prevention and Crisis Services Act;
- obtain additional written consent from the survivor before notifying any other entity of the results or using the results for any other purpose; and
- provide survivors with information on how to report an offense to a law enforcement agency in order to have the DNA results entered into law enforcement databases for use in a criminal investigation or trial.

Code of Criminal Procedure sec. 56A.306 would be amended to require DPS to amend its existing procedures for the transfer and preservation of evidence collected during a forensic medical examination to include procedures for testing under the new limited consent option.

Effective date. CSHB 1422 would take effect September 1, 2025, and apply only to offenses and biological evidence collected on or after that date.

NOTES:

According to the Legislative Budget Board (LBB), the bill would have a negative impact of $2,316,915 to general revenue related funds through the biennium.

Also, according to the LBB, the fiscal implications of the bill related to

criminal offenses cannot be determined due to a lack of data to regarding the prevalence of conduct that would be subject to criminal penalties under the bill.

SUBJECT: Establishing provisions on code enforcement officers

COMMITTEE: Licensing & Administrative Procedures — favorable, without amendment

VOTE: 12 ayes — Phelan, Thompson, Gerdes, Geren, Harless, Harris, Hernandez, Longoria, McQueeney, Patterson, M. Perez, Romero

0 nays

1 absent — Walle

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

Against — None

On — Doug Jennings, TDLR

BACKGROUND: Occupations Code sec. 1952.003 establishes that the state or a political subdivision of the state may engage in code enforcement without employing a registered code enforcement officer.

Concerns have been raised that the regulation of code enforcement officers lacks clarity in statutory definitions, registration requirements, and oversight, creating inconsistencies in enforcement practices across Texas.

DIGEST: HB 4765 would define a "code enforcement officer in training" as an individual who worked for the state or a political subdivision of the state and engaged in code enforcement under the supervision of a code enforcement officer.

The bill would amend Occupations Code sec. 1952.003 to specify that the state or a political subdivision of the state could engage in code enforcement without employing an individual registered as a code enforcement officer if the individual who was engaging in code

enforcement for the state or political subdivision was exempt from registration under state law.

The bill would remove the requirement that a code enforcement officer pay examination and registration fees to be eligible to receive a certificate of registration.

The bill would amend reciprocal registration qualifications to specify that the Texas Department of Licensing and Regulation would have to issue a registration certificate to a license holder from another state with licensing or registration standards for a code officer that were at least substantially equivalent to those of this state, rather than simply equivalent.

The bill would specify that a certificate of application issued under relevant provisions of the Occupations Code would be renewed biennially on proper application, in addition to payment of the required fee and completion of the continuing education requirements.

The bill would replace references to “person” with “individual” in provisions regarding code enforcement officers.

The bill would take effect September 1, 2025.

SUBJECT: Recognizing the Lipan Apache Tribe of Texas and prohibiting gambling

COMMITTEE: State Affairs — committee substitute recommended

VOTE: 15 ayes — King, Hernandez, Anchía, Darby, Y. Davis, Geren, Guillen, Hull, McQueeney, Metcalf, Phelan, Raymond, Smithee, Thompson, Turner

0 nays

WITNESSES: For — Rachel Salinas, Daniel Villarreal, Hermelinda Walking Woman, Lipan Apache Tribe of Texas; Frank Leota; Brandon Seale (*Registered, but did not testify*: Cyrus Reed, Lone Star Chapter Sierra Club; Steven Deline)

Against — None

BACKGROUND: Some have suggested that Texas should legally recognize the Lipan Apache Tribe as a Native American Tribe, which could also strengthen the tribe's case for formal federal recognition.

DIGEST: CSHB 4732 would establish that the Lipan Apache Tribe of Texas was designated and recognized by the state as a Native American Indian Tribe exercising substantial government powers and duties and recognized as eligible for all programs, services, authorizations, and other benefits provided to state-recognized Native American Indian Tribes by the United States, this state, or any other state because of the tribe members' status as Native American Indians.

The bill would prohibit all gaming activities prohibited by the laws of the state on the reservation and lands of the Lipan Apache Tribe of Texas. A person who violated this prohibition would be liable for the same civil and criminal penalties provided by the state law for engaging in the prohibited gaming activities.

The bill would take effect September 1, 2025.

SUBJECT: Authorizing school districts to require property reappraisal for taxes

COMMITTEE: Ways & Means — favorable, without amendment

VOTE: 11 ayes — Meyer, Martinez Fischer, Bernal, Button, Capriglione, Gervin-Hawkins, Hickland, Muñoz, Noble, V. Perez, Turner

1 nay — Vasut

1 absent — Troxclair

WITNESSES: For — Jordan Wise, Texas Association of Appraisal Districts

Against — Paul Johnson

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

BACKGROUND: Concerns have been raised that the inability for a property appraisal to be used for tax purposes can be an issue for school districts that depend on property tax revenue, because certain appraisal district boards have elected to adopt reappraisal plans directing the chief appraiser to appraise property at a standard other than market value. Some have suggested that school districts should be authorized to request a reappraisal in a year that the appraisal district did not reappraise and use the appraisal for tax purposes.

DIGEST: HB 4742 would authorize a school district by resolution adopted by its governing body to require the appraisal office to reappraise all property within the school district if the appraisal district did not reappraise property in a tax year.

On or before the deadline requested by the school district, which could not be less than 30 days after the resolution was delivered to the appraisal office, the chief appraiser would be required to complete the reappraisal and deliver to the school district supplemental appraisal records. The school district would have to pay the appraisal district for the cost of making the reappraisal. The chief appraiser would be required to provide

sufficient personnel to make the reappraisals required by the bill on or before the deadline requested by the school district.

The bill would take effect January 1, 2026.

SUBJECT: Requiring TWC to publish employer child-care resources

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

VOTE: 9 ayes — Button, Talarico, K. Bell, Bhojani, Harris Davila, Lujan, Luther, Meza, Richardson

0 nays

2 absent — Longoria, Ordaz

WITNESSES: For — Kelsey Streufert, Texas Restaurant Association (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court; Justin Wood, Care.com; Jason Sabo, Children at Risk; Adam Haynes, Conference of Urban Counties; Josie Castro Garcia, Dallas County; Rebekah Chenelle, Dallas Regional Chamber; Brooke Freeland, Early Matters Greater Austin; Wendy Uptain, Early Matters Texas; Amanda Posson, Every Texan (formerly CPPP); Santiago Franco, Harris County Commissioners Court; Christine Yanas, Methodist Healthcare Ministries; Lori Henning, Texas Association of Goodwills; Karen Reagan, Texas Association of Staffing; Cicely Kay, Travis County Commissioners Court; Ashley Harris, United Ways of Texas; Blanca Blanca, Wonderschool; Steven Deline)

Against — None

On — Reagan Miller, The Texas Workforce Commission

BACKGROUND: Concerns have been raised that lack of child care access can limit workforce participation and retention, and that many employers lack clear guidance on how to support working parents.

DIGEST: HB 5122 would require the Texas Workforce Commission (TWC) to maintain a webpage with comprehensive and current information to help employers assist employees who are parents with accessing child care.

The webpage would be required to be prominently linked from the TWC's main website and include information on:

- child-care assistance;
- best practices for assisting employees who are parents;
- any available state and federal tax credits;
- dependent care savings accounts;
- available free tools or templates;
- policies and benefits an employer could adopt to assist employees in accessing child care; and
- any other resources related to child care that TWC considered relevant.

The bill would require the webpage to explain that TWC would not and could not provide legal advice and that employers would not be required to implement any listed policies or benefits unless otherwise required by law.

The TWC would be required to publish the webpage no later than February 1, 2026.

The bill would take effect September 1, 2025.

SUBJECT: Providing for decentralized unincorporated nonprofit associations

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

VOTE: 9 ayes — Button, K. Bell, Bhojani, Harris Davila, Longoria, Lujan, Luther, Meza, Richardson

0 nays

2 absent — Talarico, Ordaz

WITNESSES: For — David Kerr, Cowrie; Shane Mac, Ephemera (*Registered, but did not testify*: Miles Jennings, A16z crypto; Allie Page, Blockchain Association; Kinjal Shah, Blockchain Capital; Ashley Gunn, Coinbase; Bill Hughes, Consensys; Pasha Moore, Crypto Freedom Alliance of Texas; Justin Wales, Crypto.com; Seth Hertlein, Ledger; Greg Xethalis, Multicoin Capital; Alex Grieve, Paradigm; Lee Bratchee and Jessi Goostree, Texas Blockchain Council; Matt Abel, Texas Economic Development Council; Stephen Graddy; Pil Jeong; Victor Olabayo)

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

BACKGROUND: Some have suggested that Texas law should recognize nonprofit entities formed through decentralized technologies and provide a framework for the formation and governance of such entities to promote transparency and accountability.

DIGEST: HB 4518 would establish provisions for decentralized unincorporated nonprofit associations. These associations would be authorized to operate primarily through distributed ledger technologies, such as blockchain, and would be permitted to conduct certain business activities while maintaining nonprofit status.

Creation and structure. The bill would define decentralized unincorporated nonprofit associations as an unincorporated association that:

- consisted of at least 100 members joined by mutual consent under an agreement that may be in writing or inferred by conduct, for a common nonprofit purpose;
- was not formed under any other law; and
- elected to be formed under the bill.

Decentralized unincorporated nonprofit associations would be distinct legal entities from their members and administrators with perpetual duration unless otherwise specified. The association would be allowed to acquire, hold, encumber, or transfer an estate or interest in real or personal property in its name, and could be a beneficiary of a trust or contract, legatee, or devisee.

Membership and governance. The bill would define "governing principles" as all agreements and any amendment or restatement of those agreements, including association agreements, consensus formation algorithms, and enacted governance proposals, that governed the purpose or operation of a decentralized unincorporated nonprofit association and the rights and obligations of the association's members and administrators, whether contained in a record, implied from the association's established practices, or both.

A person would become a member of an association in accordance with its governing principles. If no such principles applied, a person would be considered a member on the purchase or assumption of a right of ownership of a membership interest or other property that conferred voting rights, and would remain a member until resignation, suspension, dismissal, or expulsion.

"Membership interest" would mean a member's voting right in a decentralized unincorporated nonprofit association as determined by its governing principles. Members could resign or be removed according to the governing principles, and a majority vote would be required for removal if no such rules existed. Resignation or removal would not relieve a member from prior obligations, and membership interests would be freely transferable, unless otherwise restricted.

The bill would require approval by members, in accordance with an association's governing principles, to:

- remove a member;
- amend the association's governing principles;
- select or dismiss an administrator;
- sell significant assets;
- dissolve, merge, or convert the association; or
- change the association's purpose.

Administrators. The association would not be required to have administrators, and no default authority or duties would apply. Administrators, if chosen, would be selected by the members and given specific responsibilities and would be limited to the powers granted during their selection. Governing principles could limit the liability of an administrator or member for damages except in cases that involved improper personal gain, intentional harm, criminal conduct, or breach of duty of loyalty, unless authorized by disinterested members.

Use of distributed ledger technology and smart contracts. A decentralized unincorporated nonprofit organization would be authorized to use distributed ledger technology, including blockchain systems and smart contracts, to manage governance, membership records, voting procedures, and other operations.

The bill would define "distributed ledger technology" as a software protocol that:

- governed the rules, operations, and communication between the intersection and connection points in a telecommunications network and its supporting infrastructure;
- included the computer software or hardware, or collections of software or hardware, that used or enabled a distributed ledger, including blockchain systems; and
- used a distributed, shared, and replicated ledger, which could be public or private, permissioned, and used digital assets as a medium of electronic exchange.

The bill would define “smart contract” as a computational process that would execute on a distributed ledger technology used to automate a transaction, including a transaction that:

- took custody over and instructed transfer of assets on that ledger;
- created and transmitted digital assets;
- synchronized information; or
- authenticated user rights and conveyed access to software applications.

The association’s governing principles could define whether the distributed ledger technology was immutable, public or private, and the extent of members’ access. Associations also could implement voting procedures using smart contracts to propose and adopt software changes, modify governance principles, or address any other matter of governance.

An association could adopt consensus algorithms to validate records, establish requirements for conducting operations, and make governance decisions related to the distributed ledger technology. The association also could modify or substitute its consensus mechanism.

Access to records. Members and administrators would have access to electronic records relating to the association’s activities, finances, or other material matters, provided they do not already have access through the distributed ledger technology. The association could impose confidentiality or usage restrictions. Former members could access records from their time of membership if requested in good faith. The association would not be required to keep a member list.

Property transactions and statements of authority. A decentralized unincorporated nonprofit association would be authorized to acquire, hold, or transfer real or personal property. To transfer real estate, the association would need to record a statement of authority with the county clerk. The statement would need to include the legal description and address of the property, the name and address of the association, the name or title of the person authorized to transfer the property, and the action or vote that granted the authority. Once recorded, the named person’s authority would

be conclusive in favor of a transferee who gave value without notice that the person named in the statement of authority lacked authority.

Liability. Legal claims could be brought by or against the association in its own name, and judgments against the association would not automatically apply to members or administrators. The association's debts and liabilities would belong solely to the association. Members and administrators would not be personally liable for those debts unless they had agreed otherwise. Failing to follow internal formalities would not be grounds for personal liability.

Decentralized unincorporated nonprofit associations could appoint an agent authorized to receive service of process by filing a statement with the secretary of state. The agent could resign by filing a resignation with the secretary of state and giving notice to the association, and amendments to the appointed agent would have to meet the original filing requirements. If the secretary of state refused to file a statement appointing an agent, the secretary of state would have to return the filing to the association within 30 days with an explanation of the refusal.

The association would be considered an enterprise for purposes of the requirements related to indemnification and advancement of legal expenses.

Dissolution and termination. An association could be dissolved under the following conditions:

- at a time or by a method specified in the association's governing principles;
- by a vote of the members if the governing principles did not provide a method;
- if the association's membership was fewer than 100 and it could not merge with or convert into another valid entity; or
- by order of a court.

After dissolution, the association would continue to exist for winding up and members would be required to discharge its debts, settle its obligations, and bring its business to a close. Remaining property would

be distributed to another nonprofit with a similar purpose, by the association's governing principles, or, if neither applies, to members proportionally or as unclaimed property under state law.

Members could:

- appoint an administrator to wind up the association;
- preserve the association operations and property as a going concern for a reasonable time;
- prosecute and defend civil, criminal, or administrative actions and proceedings;
- transfer property;
- settle disputes by mediation or arbitration;
- receive reasonable compensation for services rendered to the association in winding up; and
- perform other acts necessary to effect the winding up.

If no administrator was chosen, members would have to perform these duties and exercise due care, avoiding gross negligence, misconduct, or legal violations.

The bill would take effect September 1, 2025.

SUBJECT: Authorizing sale of fireworks on and before the Lunar New Year

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

VOTE: 9 ayes — C. Bell, Zwiener, Cole, Cortez, Garcia Hernandez, Leo Wilson, Lowe, Luther, Tepper

2 nays — Rosenthal, Spiller

WITNESSES: For — Glenn Davis, American Fireworks and Texas Pyrotechnic Association; Kevin Gian, Heavenly Dragon Lion Dance Association; Shannon Brinkley, Pyro Source LLC; Richard Fallin, Texas Pyrotechnic Association; Phil Claiborne, TNT Fireworks (*Registered, but did not testify*: Chester Davis, Texas Pyrotechnic Association; Jason Trout)

Against — (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court; Adam Haynes, Conference of Urban Counties; Rick Thompson, County Judges and Commissioners Association of Texas; Julie Wheeler, Travis County Commissioners Court; Steven Deline)

BACKGROUND: Some have suggested acknowledging the cultural traditions of the Lunar New Year by authorizing the sale of fireworks on or ahead of the day of observation.

DIGEST: HB 5084 would add to the list of periods during which a retail fireworks permit holder could sell fireworks to the public to include the period beginning five days before Lunar New Year and ending at midnight on Lunar New Year.

The bill would take effect September 1, 2025.