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HOUSE RESEARCH ORGANIZATION

daily floor report

Monday, May 12, 2025
89th Legislature, Number 63
The House convenes at 10 a.m.
Part Three

One bill is on the Major State Calendar, three resolutions are on the Constitutional Amendments Calendar, and 126 bills are on the General State Calendar for Monday, May 12, for second reading consideration. The list of bills included in Part Three of the *Daily Floor Report* appears on the following page.

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

Gary VanDeaver
Chairman
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HOUSE RESEARCH ORGANIZATION

Daily Floor Report

Monday, May 12, 2025

89th Legislature, Number 63

Part 3

SUBJECT: Providing for the licensing and regulation of mobile food vendors

COMMITTEE: State Affairs — committee substitute recommended

VOTE: 11 ayes — King, Hernandez, Darby, Y. Davis, Hull, McQueeney, Metcalf, Phelan, Raymond, Smithee, Turner

2 nays — Anchía, Thompson

2 absent — Geren, Guillen

WITNESSES: For — Gerardo Garcia, Chero's Latin Kitchen; Samuel Hooper, Institute for Justice; Blaine Rasmuson, On the Hook Fish and Chips; Sarah Lewis, The Food Truck League DFW (*Registered, but did not testify*: Brett Silva, Food Truck; Jamie Coffey and Monica Juneau, If Jesus Made Quesadillas)

Against — Marcel Elizondo, Texas Environmental Health Association (*Registered, but did not testify*: Rick Ramirez, City of Austin; Ryan Skrobarcyzk, City of Corpus Christi; Petrus Wassdorf, City of Denton; T. J. Patterson, City of Fort Worth; Ariel Traub, City of Garland, Texas; Leah Clark, City of Georgetown; Jon Weist, City of Irving; Nadia Islam, City of San Antonio; Spencer Gutierrez, City of Sugar Land; Monty Wynn, Texas Municipal League; Steven Deline)

On — Chloe Beck, State Office of Administrative Hearings; Madison Gessner, Texas Restaurant Association (*Registered, but did not testify*: Timothy Stevenson, Department of State Health Services; Santiago Franco, Harris County Commissioners Court; Shane Linkous, State Office of Administrative Hearings)

BACKGROUND: Concerns have been raised that mobile food vendors in Texas face inconsistent local regulations and permit requirements, creating substantial costs and barriers to entry for entrepreneurs and small business owners. Some have suggested that a uniform, statewide licensing system for mobile food vendors should be created.

DIGEST:

CSHB 2844 would establish licensing and regulation requirements for mobile food vendors under the Health and Human Services Commission (HHSC) and the Department of State Health Services (DSHS). CSHB 2844 would preempt a local authority's power to prohibit or regulate mobile food vendors in a manner that conflicted with the bill.

Rules. CSHB 2844 would authorize the executive commissioner of HHSC to adopt rules to implement the bill that were narrowly tailored to address a demonstrable health or safety risk. The rules could not limit the number of mobile food vendor licenses issued, address mobile food vendor hours of operation, restrict a mobile food vendor's propane capacity below what state law allowed for commercial vehicles, or require a mobile food vendor to:

- operate outside a specific perimeter of a commercial establishment or restaurant;
- obtain a license or permit for or perform a background or criminal history record check on the vendor's employees;
- enter into any agreement with a commercial establishment or restaurant;
- have an operational handwashing sink in the vehicle of a vendor who sold only prepackaged food;
- associate with a commissary if the vehicle carried the equipment necessary to comply with state law;
- provide the vendor's fingerprints as a condition of holding a mobile food vendor license;
- install a global positioning system tracking device on the vehicle;
- keep the vehicle in constant motion except when serving customers;
- submit to an additional fire inspection a vehicle that had passed a state or local fire inspection within the preceding year; or
- submit to health inspections other than an inspection the department, or a local authority under a collaborative agreement, conducted unless the department was investigating a reported foodborne illness.

License and application requirements. CSHB 2844 would require a person to hold a mobile food vendor's license issued by DSHS to operate as a mobile food vendor in the state. A separate license would be required for each food vending vehicle a mobile food vendor operated. A local authority could not prohibit a licensed mobile food vendor who complied with all applicable state and local laws from operating in its jurisdiction. The bill would authorize DSHS to prescribe the form for a written application for a mobile food vendor license, which would have to be available in person and online. The bill would specify information that had to be included in the application.

Within 14 days after DSHS received an application, DSHS or a governmental entity acting under a collaborative agreement would be required to conduct a health inspection of each of the applicant's food vending vehicles. DSHS could not issue a license to an applicant whose vehicle did not pass a health inspection, and would have to ensure that an applicant's vehicle was safe for preparing, handling, and selling food and that the applicant was in compliance with all applicable laws and rules.

DSHS would have to issue a license to an applicant who submitted a complete application, paid any required fees, met licensing requirements, and whose food vending vehicle passed a health inspection. The license would expire after one year. The bill would provide for license renewal, non-transferability, and vehicle substitution under the same license. The bill also would authorize and require certain DSHS fees, require DSHS to develop a guide on mobile food vendor licensing procedures, and establish a statewide database of information on mobile food vendors.

CSHB 2844 would require a person who drove a food vending vehicle to hold a current commercial driver's license. At least one person working in a food vending vehicle would have to hold a current food safety certification from a food service program accredited by DSHS.

Health inspections. CSHB 2844 would require the executive commissioner of HHSC to establish certain classifications of mobile food vendors for purposes of conducting health inspections. The bill would provide for vendor reclassification, ongoing randomized inspections, and collaborative agreements with local authority for conducting inspections.

The DSHS executive commissioner would have to establish statewide criteria and a score-based grading system for health inspections as provided by the bill. The bill would provide requirements for frequency of inspections depending on a vendor's classification.

Denial, suspension, or revocation of license. CSHB 2844 would authorize DSHS or a local authority to investigate a mobile food vendor on reasonable suspicion the vendor was violating the law or on receipt of a health or safety complaint. The local authority would have to report suspected violations to DSHS and could recommend the suspension or revocation of a mobile food vendor license. DSHS could deny, suspend, or revoke a license only if the applicant or license holder:

- violated CSHB 2844, a rule adopted under the bill, or a DSHS order;
- obtained a license fraudulently,
- committed fraud or made a misrepresentation or false statement in connection with the sale of food or beverages while operating as a vendor;
- was cited three or more times in 12 months for a violation of the bill or rules; or
- received a failing grade during a health inspection.

DSHS also could deny, suspend, or revoke a license if a complaint against the license holder was sustained or the department determined that material facts or conditions related to the applicant or application provided reasonable justification for denying, suspending, or revoking the license. The bill would provide requirements and procedures for notice, a hearing, and a right to appeal regarding the denial, suspension, or revocation of a mobile food vendor license. A license holder that continued to operate after DSHS suspended or revoked the license would be subject to an administrative penalty.

CSHB 2844 would repeal provisions requiring a mobile food service establishment to obtain a county permit in order to operate in certain counties.

The HHSC executive commissioner would have to adopt the rules required by CSHB 2844 by May 1, 2026. The commissioner could begin adopting rules September 1, 2025. Otherwise the bill would take effect July 1, 2026.

NOTES:

According to the Legislative Budget Board, the bill would have a positive impact of $921,235 to general revenue related funds through the biennium.

SUBJECT: Authorizing certain municipalities to receive hotel occupancy tax revenue

COMMITTEE: Ways & Means — committee substitute recommended

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

0 nays

2 absent — Troxclair, Vasut

WITNESSES: For — David Morgan, City of Georgetown (*Registered, but did not testify*: Elizabeth Montgomery, Samsung Austin Semiconductor, LLC.; Justin Bragiel, Texas Hotel & Lodging Association; Ron Hinkle, Texas Travel Alliance)

Against — None

On — (*Registered, but did not testify*: Lara Abi Habib, Julio Mendoza-Quiroz, 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 for the payment of obligations related to the project.

DIGEST: CSHB 3241 would authorize a municipality that was a county seat of a county that had a population of 600,000 or more and was adjacent to the county that contained the State Capitol to impose and collect certain tax revenues derived from certain municipal hotel and convention center projects and to use this revenue, or revenue from municipal hotel occupancy taxes, for the payment of obligations for certain qualified projects and interlocal agreements related to the projects.

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: Providing subdivision plat requirements for certain counties

COMMITTEE: Land & Resource Management — committee substitute recommended

VOTE: 6 ayes — Gates, Lalani, Alders, Hinojosa, Hunter, Virdell

0 nays

3 absent — Y. Davis, R. Lopez, Morgan

WITNESSES: For — Benjamin Worsham, Cameron County; Scot Campbell, S and K Holdings LLC; Bruno Zavaleta, Texas Realtors (*Registered, but did not testify*: Priscilla Rosales-Pina, American Planning Association Texas Chapter; Amanda Saldana, Cameron County; Deborah Ingersoll, Earl & Associates, S&K Properties, LLC; Chuck Rice, Texas Land Developers Association)

Against — (*Registered, but did not testify*: Rick Thompson, County Judges and Commissioners Association of Texas; Charles Maley, South Texans' Property Rights Association)

BACKGROUND: Concerns have been raised that property owners in Cameron County have difficulty selling their property due to restrictions imposed under current law by subdivision platting requirements for a county near an international border.

DIGEST: CSHB 3680 would provide subdivision platting requirements for a county that bordered the United Mexican States and the Gulf of Mexico. The bill would apply only to land that was subdivided into two or more lots, at least one of which was less than five acres in area. A subdivider of land would have to have a plat of the subdivision prepared if at least one of the lots was less than five acres. A county commissioners court could require each subdivider of land to prepare a plat if none of the lots was less than five acres but at least one of the lots was between five and 10 acres.

The bill would require a plat to:

- be certified by a surveyor or engineer registered to practice in the state;
- define the subdivision by metes and bounds;
- describe, number, and provide the dimensions of each lot;
- state the dimensions of and describe parts of the tract intended to be for public use or for the use of purchasers or owners of lots fronting on or adjacent to the part;
- include information about the water and sewer facilities, roadways, and easements for water and sewer facilities that would service the subdivision;
- have attached a document prepared by a registered engineer certifying the compliance of water and sewer facilities with Water Code model rules and a certified estimate of the cost to install such facilities;
- provide for drainage in the subdivision to avoid concentration of storm drainage water from each lot to adjacent lots, provide positive drainage away from all buildings, and coordinate individual lot drainage with the general storm drainage pattern for an area;
- include a description of the drainage requirements;
- identify the topography of the area;
- include a certification by a registered surveyor or engineer describing any area of the subdivision on a floodplain; and
- include certification that the subdivider has complied with requirements related to service provision and that water quality and connection, sewer connections and septic tanks, electrical connections and gas connections met or would meet minimum state standards.

The subdivider would have to acknowledge the plat by signing it and any attached documents and attesting to their veracity and completeness. The plat would have to be filed and recorded with the county clerk and would be subject to filing and recording provisions of the Property Code. A county could not require the owner of a tract of land located outside the limits of a municipality who divided the tract to have a plat prepared if the lots were sold to adjoining landowners and were added to the adjoining

parcel of land by the purchasers. The bill would authorize a county to grant exceptions to the plat requirements for certain individual lots on determining that good cause existed.

A plat filed under the bill would not be valid unless the county commissioners court approved it by an order entered in the court's minutes. The court could not approve a plat for land intended for residential housing any part of which lay in a floodplain unless it was developed in compliance with the National Flood Insurance Program and certain local regulations under the Water Code. The commissioners court could delegate approval responsibility for certain plats to one or more county officers or employees.

A commissioners court would have to, by an order adopted and entered in its minutes and after a newspaper notice was published in English and Spanish, establish specifications for subdivision rights-of-way, road construction, drainage, and contract requirements for utility services. Unless all required water and sewer services facilities were installed by the date a person applied for final approval of a plat, the commissioners court would have to require the tract subdivider to execute and maintain in effect a bond or make a cash deposit to ensure compliance with the bill.

Certificates and determinations. CSHB 3680 would require a commissioners court, on approving a plat, to issue to the applicant a certificate stating that the plat had been reviewed and approved. On the court's own motion or within 20 days of a request from a subdivider, owner, or resident of a lot in a subdivision, or an entity that provided a utility service, the commissioners court would have to make certain determinations regarding the land in which the entity or commissioners court was interested, including determinations on whether a plat had been prepared, reviewed, and approved and whether water, sewer, or electrical and gas services facilities had been constructed or installed.

Utility service. A utility could not serve or connect any subdivided land with water and sewer services unless the utility received a certificate of determination issued by a commissioners court that the plat had been reviewed and approved. A utility could serve or connect subdivided land or a single-family residential dwelling with water, sewer, electricity, gas,

or other utility service without such a certificate or determination under certain circumstances specified by the bill.

Required services. CSHB 3680 would require the county commissioners court to adopt and enforce the model rules for safe and sanitary water supply and sewer services in residential areas provided under the Water Code and adopt regulations setting requirements for potable water, solid waste disposal, roads, sewer facilities, electric and gas service, and flood management. A subdivider with an approved plat for a subdivision would have to furnish certification from a utility provider stating that sufficient water was available for the subdivision to furnish sewage treatment facilities, roads, and adequate drainage, and would have to make a reasonable effort to have electric and gas service installed by a utility.

Penalties. The bill would define an interest in a subdivided tract and establish that a member of a county commissioners court who had such an interest who failed to abstain from participating in a decision regarding plat approval for the tract committed a class A misdemeanor (up to one year in jail and/or a maximum fine of $4,000).

CSHB 3680 would provide requirements related to the sale of subdivided land, including for advertising, written notices, and statements. The bill would establish a civil penalty of between $10,000 and $15,000 for a subdivider or subdivider's agent who caused, suffered, allowed, or permitted a lot to be sold in a subdivision that had not been platted or any part of a subdivision under the person's control to become a public health nuisance.

Other penalties. A subdivider who failed to provide for water or sewer facilities or otherwise violated the bill or a rule or requirement adopted by the commissioners court would be subject to a civil penalty of between $500 and $1,000 for each violation and for each day of a continuing violation but not to exceed $5,000 each day. The person also would have to pay court costs, investigative costs, and attorney's fees for the governmental entity bringing the suit.

CSHB 3680 would establish that a subdivider who knowingly failed to file a required plat, knowingly failed to timely provide for the construction

or installation of water or sewer services or make a reasonable effort to have electric and gas services installed, or allowed the conveyance of a lot without such utilities or making such an effort, committed a Class A misdemeanor. The offense of knowingly failing to file a required plat would be enhanced to a state-jail felony (180 days to two years in a state jail and an optional fine of up to $10,000) if it was shown at trial that the defendant caused five or more residences to be inhabited.

Enforcement. The bill would provide for its enforcement by the attorney general or the district attorney, criminal district attorney, or county attorney. A person who had purchased or was purchasing a lot in a residential subdivision that did not have water and sewer services as required by the bill and was located in an economically distressed area as defined under the Water Code could bring a suit in the district court in which the property was located or in a Travis County district court to declare the sale void, require the subdivider to return the purchase price, and recover certain damages and costs from the subdivider, or to enjoin a violation, require the subdivider to plat or replat, and recover damages and costs.

Other procedures. CSHB 3680 would establish procedures for the cancellation of a subdivision, revising a plat, delays or variances from platting or replatting requirements, and updates to infrastructure requirements for subdivisions mostly undeveloped after 25 years of platting.

The bill would take effect September 1, 2025.

SUBJECT: Allowing Carrollton to use hotel and convention center tax revenue

COMMITTEE: Ways & Means — committee substitute recommended

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

0 nays

2 absent — Troxclair, Vasut

WITNESSES: For — Ravi Shah, City of Carrollton (*Registered, but did not testify*: Justin Bragiel, Texas Hotel & Lodging Association; Ron Hinkle, Texas Travel Alliance)

Against — None

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

BACKGROUND: Some have suggested that the City of Carrollton should be eligible to receive certain tax revenue derived from a hotel and convention center project to pay the obligations related to the project.

DIGEST: CSHB 3169 would authorize a municipality that had a population of more than 130,000 but less than 1.3 million and was located in three counties, each of which had a population of more than 900,000, to receive taxes from a municipal hotel and convention center project and to pledge or commit this revenue, or revenue from municipal hotel occupancy taxes, for the payment of obligations for certain qualified projects and interlocal agreements related to the projects.

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

NOTES: According to the Legislative Budget Board, the bill would have a negative impact to general revenue related funds beginning in fiscal year 2030 and continuing for 10 years.

SUBJECT: Amending requirements for GCD desired future condition planning

COMMITTEE: Natural Resources — favorable, without amendment

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

1 nay — C. Bell

WITNESSES: For — Brian Sledge, Upper Trinity GCD, Prairielands GCD, Barton Springs Edwards Aquifer Conservation District (*Registered, but did not testify*: Kenneth Flippin, Chispa Texas; Joshua Sanders, City of Houston; Ross Giesinger, Environmental Defense Action Fund; Gregory Ellis, groundwater conservation district clients of the firm; Ty Embrey, Middle Trinity GCD, Clearwater UWCD, Central Texas GCD, North Texas GCD, Middle Pecos GCD; Paige Holbrooks, Texas & Southwestern Cattle Raisers Association; Jeremy B. Mazur, Texas 2036; Larry French, Texas Public Policy Foundation; Doug Shaw, Upper Trinity Groundwater Conservation District)

Against — None

On — (*Registered, but did not testify*: Adam Foster, Texas Alliance of Groundwater Districts; John Dupnik, Texas Water Development Board)

BACKGROUND: Current law requires a groundwater conservation district to develop and adopt desired future condition planning goals for aquifers. Some have suggested amending the law to ensure that districts demonstrate how their present-day aquifer management activities are on track to achieve planning goals.

DIGEST: HB 2078 would require a groundwater conservation district to include in its management plan an explanation in plain language of how the district was monitoring and tracking the achievement of the desired future conditions established during a groundwater management area joint planning process and how the district had performed in achieving the

desired future conditions over the preceding five-year joint planning period.

The bill would require representatives of districts within a groundwater management area to review the management plans of each district in the area at least once every five years, rather than annually. The bill would revise language to specify that, in reviewing management plans, the districts were required to consider the degree to which each district, rather than each management plan, achieved the desired future conditions through the implementation of the district's management plan and rules.

The bill would require an explanatory report produced by the district representatives to include:

- an explanation in plain language of why a desired future condition adopted for an aquifer was changed if the condition was different from that adopted over the preceding five-year joint planning period; and
- a summary of how each district was performing in achieving the desired future conditions.

The districts and district representatives would be required to adopt desired future conditions for each 50-year planning period identified by the executive administrator for the preparation of state and regional water plans. Districts and district representatives also would have to identify interim values for these adopted conditions for time periods of no more than 10 years solely to assist the districts in monitoring interim progress in achieving the desired future conditions adopted for the 50-year planning period. The bill also would allow districts and district representatives to adopt desired future conditions for future time periods.

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

SUBJECT: Establishing automatic order of nondisclosure for certain misdemeanors

COMMITTEE: Criminal Jurisprudence — committee substitute recommended

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

0 nays

WITNESSES: For — Terra Tucker, Alliance for Safety and Justice; and Crime Survivors for Safety and Justice; David Emerick, JPMorgan Chase; Nikki Pressley, Texas Public Policy Foundation; David Hart (*Registered, but did not testify*: Nick Hudson, American Civil Liberties Union of Texas; Joshua Houston, Caritas of Austin; M Paige Williams, Dallas Criminal District Attorney John Creuzot; Rebekah Chenelle, Dallas Regional Chamber; Justin Keener, Doug Deason; Kathy Mitchell, Equity Action; Kaitlyn Murphy, Greater Houston Partnership; Kaden Norton, Prison Fellowship Ministries; Luis Soberon, Texas 2036; Sarah Mae Jennings, Texas Access to Justice Commission; Natasha Malik, Texas Appleseed; Lori Henning, Texas Association of Goodwills; Kirsten Budwine, Texas Civil Rights Project; Jennifer Allmon, The Texas Catholic Conference of Bishops; Charlie Malouff, TX C.U.R.E., Inc.; Ashley Harris, United Ways of Texas; Lakshmi Fox; Tristan Stitt)

Against — (*Registered, but did not testify*: Lauren Lawrence, Phil Sorrells - Tarrant County Criminal District Attorney)

BACKGROUND: Government Code sec. 411.072 establishes a procedure for issuance of an order of nondisclosure of criminal history record information for a person who was placed on deferred adjudication community supervision for certain nonviolent misdemeanor offenses and who has never been previously convicted of or placed on deferred adjudication community supervision for another offense other than a traffic offense that is punishable by fine only.

Some have suggested that statute should be amended to allow the Department of Public Safety to fully implement the petitionless nondisclosure process authorized by the Texas Legislature in 2015.

DIGEST:

CSHB 2507 would establish procedures for issuing an automatic order of nondisclosure of criminal history record information for certain defendants who completed deferred adjudication community supervision for nonviolent misdemeanors. The bill would revise Government Code sec. 411.072 to provide that a person was entitled, rather than eligible, to an automatic order of nondisclosure of criminal history record information if, in addition to existing qualifications, the person:

- received a dismissal and discharge on or after January 1, 1993, for a qualified misdemeanor offense under this section;
- had been on deferred adjudication community supervision for such an offense for at least 180 days;
- satisfied certain other statutory requirements for receiving an order of nondisclosure; and
- had not previously received an order of nondisclosure under this section.

The bill would require the Department of Public Safety (DPS) to electronically review its computerized criminal history records by the 15th day of each month to identify each person who satisfied the requirements for an automatic nondisclosure order and received the dismissal and discharge described by the bill on or after January 1, 2028. DPS would then be required to electronically notify, in the manner prescribed by the Office of Court Administration, the clerk of the applicable court of each entitled person that the person satisfied the requirements for an order of nondisclosure under the bill. If records did not indicate whether a person received a dismissal and discharge, the person would be considered as having satisfied the requirements if no revocation of a deferred adjudication was recorded and the supervision period had expired. Upon receiving notice from DPS, the court would be required to issue an order of nondisclosure within 15 business days.

The bill would allow individuals who received a discharge and dismissal on or after January 1, 1993, to request that DPS determine whether they

met the required conditions for an order of nondisclosure. DPS would be required to assess the request using its criminal history system and, if the person qualified, notify the person and electronically notify the court clerk. DPS also would be required to publish information online about how to submit such a request.

A person also could present evidence directly to the court to demonstrate that the person met the criteria for nondisclosure. The court would be required to establish the manner in which the court could present this evidence and issue the nondisclosure order if the court found that the conditions were satisfied. The bill would prohibit the charging of any fee, rather than requiring the payment of a $28 fee, for the issuance of a nondisclosure order under these provisions. The bill would make conforming changes to reflect the requirements established by the bill.

The bill would require DPS to include in its computerized criminal history system, for cases in which a judge placed a defendant on deferred adjudication community supervision, whether an affirmative finding that it was not in the best interest of justice that the defendant received an automatic order of nondisclosure was filed in the papers of the case.

The bill would require the Office of Court Administration to confer with DPS by September 1, 2027, to determine the content of electronic notifications under the bill. This provision would take effect on September 1, 2025.

The bill would take effect January 1, 2028.

SUBJECT: Repealing unused definition and chapter heading

COMMITTEE: Judiciary & Civil Jurisprudence — committee substitute recommended

VOTE: 9 ayes — Leach, Johnson, Dutton, Dyson, Flores, Hayes, LaHood, Landgraf, Schofield

0 nays

2 absent — J. González, Moody

WITNESSES: For — None

Against — None

BACKGROUND: Some have suggested repealing an unused chapter in the Government Code that formerly contained a statute that regulated membership dues, which no longer exists under that chapter number.

DIGEST: CSHB 4559 would repeal Government Code ch. 668, entitled "Membership Dues," which contains only an unused definition of "state agency."

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 requirement to issue judicial specialty license plates

COMMITTEE: Transportation — favorable, without amendment

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

0 nays

1 absent — Little

WITNESSES: For — (*Registered, but did not testify*: Thomas Parkinson)

Against — None

On — (*Registered, but did not testify*: Mike Stanford, Texas DPS; Annette Quintero, TxDMV)

BACKGROUND: Concerns have been raised that visibly marking a vehicle with a judge's status could make judges more vulnerable to threats or harassment. Some have suggested that a judge should be able to obtain restricted license plates without a judicial designation.

DIGEST: HB 3946 would authorize rather than require the Texas Department of Public Safety to issue a license plate with “State Judge” or “U.S. Judge,” for a current or visiting state or federal judge.

The bill would take effect September 1, 2025.

SUBJECT: Authorizing additional bilingual education allotment for certain districts

COMMITTEE: Public Education — favorable, without amendment

VOTE: 10 ayes — Buckley, Allen, Ashby, Bryant, Cunningham, Dutton, Frank, Hunter, Leach, Leo Wilson

4 nays — Bernal, Hinojosa, Kerwin, Schoolcraft

1 absent — Talarico

WITNESSES: For — Laura Carrasco, International Leadership of Texas; Eddie Conger, International Leadership of Texas Public Charter Schools (*Registered, but did not testify*: Garry Jones, Democrats for Education Reform Texas; Michelle Wittenburg, Good Reason Houston; Frank Corte, International Leadership of Texas; Raif Calvert, TASB; Colby Nichols, Texas Association of Community Schools; Casey McCreary, Texas Association of School Administrators; Quinn McCall, Texas Classroom Teachers Association; Bryce Adams, Texas Public Charter Schools Association; Steven Deline)

Against — None

On — Chloe Latham Sikes, Intercultural Development Research Association (IDRA) (*Registered, but did not testify*: Amy Copeland, Kristin McGuire, Texas Education Agency)

BACKGROUND: Concerns have been raised that the shortage of certified bilingual teachers means that some schools are not receiving additional funding that is conditioned on such teachers holding certain certifications.

DIGEST: HB 3460 would authorize the Texas Education Agency (TEA) to require, for the purposes of the bilingual education allotment, that a school district that was granted an exception for an alternative language method to:

- include in the district's Public Education Information Management System (PEIMS) report additional information specified by TEA

and relating to the alternative language education methods used by the district; and
- classify the alternative language education methods used by the district under the PEIMS report as specified by TEA.

For each student in average daily attendance in an alternative language education method approved by TEA, and offered by a school district approved to receive the allotment, the district would be entitled to an annual allotment equal to the basic allotment multiplied by:

- 0.15 for an emergent bilingual student if the student was in an alternative language education method using a dual language immersion or one-way or two-way program model; and
- 0.05 for any other student in an alternative language education method using a dual language immersion or one-way or two-way program model.

The bill would require TEA to review school districts that offer alternative language education methods approved by TEA and approve districts to receive the allotment for that biennium in a manner that provided up to $10 million under the allotment to school districts in each biennium. In approving school districts to receive the allotment, TEA would have to approve eligible school districts from a cross-section of the state, to the extent possible.

A district's bilingual education or special language allocation could be used to pay for teacher salaries, rather than salary supplements.

The bill would take effect September 1, 2025.

SUBJECT: Amending requirements for the written statement of accounts of a trust

COMMITTEE: Judiciary & Civil Jurisprudence — favorable, without amendment

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

0 nays

WITNESSES: For — Lauren Hunt, Texas Real Estate & Probate Institute (T-REP)

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

BACKGROUND: Property Code sec. 113.152 provides that a written statement of accounts of trust transactions must show certain items, including a complete account of receipts, disbursements, and other transactions regarding the trust property for the period covered by the account, including their source and nature, with receipts of principal and income shown separately.

Concerns have been raised that under current law, trustees must provide detailed accountings that separate receipts and disbursements between principal and income, even though beneficiaries in many modern trusts receive both principal and income under identical distribution standards. Some have suggested that creating an exception to certain trust accounting requirements would remove an unnecessary administrative burden.

DIGEST: HB 3405 would require the written statement of accounts under Property Code sec. 113.152 to list each receipt and disbursement allocated to principal or income, rather than receipts of principal and income shown separately.

The bill would not require a trustee to allocate a receipt or disbursement to principal or income under this provision if the distribution standard and beneficiaries were the same for both principal and income.

Notwithstanding these provisions, on a showing of good cause, a court could compel the trustee to include in the written statement of account an

allocation of certain receipts and disbursements to principal and income regardless of whether the distribution standard and beneficiaries were the same for principal and income.

The bill would take effect September 1, 2025.

SUBJECT: Establishing Medicaid coverage and reimbursement for MST

COMMITTEE: Public Health — favorable, without amendment

VOTE: 10 ayes — VanDeaver, Campos, Bucy, Collier, Cunningham, Frank, Johnson, J. Jones, Schofield, Simmons

3 nays — Olcott, Pierson, Shofner

WITNESSES: For — Muna Javaid, Texans Care for Children; Jamie Dudensing, Texas Association of Health Plans (*Registered, but did not testify*: Eric Wright, Behavioral Health Advocates of Texas; Melissa Shannon, Bexar County Commissioners Court; Stacy Wilson, Children's Hospital Assn of Texas; Jacob Smith, City of Houston; Christine Bryan, Clarity Child Guidance Center; Michael Dole, Driscoll Health System; Elisa M. Tamayo, El Paso County; Santiago Franco, Harris County Commissioners Court; William Carter, Lubbock County Juvenile Probation; Mackenzie Kelly, Meadows Mental Health Policy Institute; Rebecca Fowler, Mental Health America of Greater Houstom; Christine Yanas, Methodist Healthcare Ministries; Christine Busse, NAMI Texas; Nicole Malone, National Association of Social Workers- Texas Chapter; Helen Kent Davis, Texas Academy of Family Physicians and Texas Primary Care Consortium; Mckenzie Martin, Texas Association of Community Health Centers (TACHC); Stephanie Battaglia, Texas CASA; Meredith Cooke, Texas Children's Hospital; Veronikah Warms, Texas Civil Rights Project; Mackenzie Lyra, Texas Health Resources; Will Holleman, Texas Hospital Association; Kyle Riley, Texas Impact; Amanda Tollett, Texas Medical Association; Lauren Rose, Texas Network of Youth Services; Clayton Travis, Texas Pediatric Society; Brianna Waldock, TexProtects; Ashley Harris, United Ways of Texas)

Against — None

On — Michelle Ruiz Deal, LPC-S, Texas Counseling Association (*Registered, but did not testify*: Joanna Seyller, Health and Human Services Commission (HHSC); Noah Jones, Texas Counseling Association)

BACKGROUND:

Concerns have been raised that Texas Medicaid lacks intensive community-based care for youth in the juvenile justice system and does not reimburse for evidence-based services like multisystemic therapy (MST), which is the treatment of choice for youth who are repeat violent offenders.

DIGEST:

HB 475 would require the Health and Human Services Commission (HHSC) to provide Medicaid reimbursement to a health care provider who delivered services to a Medicaid recipient that were classified as multisystemic therapy by the Healthcare Common Procedure Coding System code. The bill would require the executive commissioner of HHSC to establish a separate provider type for multisystemic therapy providers for the purpose of enrollment as a Medicaid provider and Medicaid reimbursement.

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

The bill would take effect September 1, 2025.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of $4.1 million to general revenue related funds through the biennium.

SUBJECT: Expanding methods of notice for theft of service offense

COMMITTEE: Criminal Jurisprudence — favorable, without amendment

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

0 nays

WITNESSES: For — Stephanie Gharakhanian, Travis County District Attorney's Office (*Registered, but did not testify*: Bill Kelly, Office of Harris County District Attorney Sean Teare)

Against — None

BACKGROUND: Under Penal Code sec. 31.04, to establish the offense of theft of service, a person demanding payment must send a written notice by registered or certified mail with return receipt requested or by commercial delivery service. Some have suggested that these provisions should be amended to address electronic communications methods.

DIGEST: HB 3463 would amend Penal Code sec. 31.04 to allow a person demanding payment for a service to send the required written notice by any of the following methods:

- registered or certified mail with return receipt requested;
- commercial delivery service;
- email;
- text message; or
- another form of written communication.

The bill would allow these additional notice methods to be sent to the actor's mailing address, email address, phone number, or other appropriate method of contact, as shown on the rental agreement or service agreement, the records of the person whose service was secured, or, if the actor secured performance of the service by issuing or passing a

check or similar sight order, the address on the check or the records of the bank or other drawee on which the check or order was drawn.

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

SUBJECT: Creating liability for vaccine manufacturer advertisements

COMMITTEE: Judiciary & Civil Jurisprudence — committee substitute recommended

VOTE: 8 ayes — Leach, Dutton, Dyson, Flores, Hayes, LaHood, Landgraf, Schofield

1 nay — Johnson

2 absent — J. González, Moody

WITNESSES: For — Jackie Schlegel, Texans For Medical Freedom; Michelle Evans, Texans for Vaccine Choice; Mary Bowden (*Registered, but did not testify*: Paul Hale, SREC SD1; Cindi Castilla, Texas Eagle Forum; John Bolgiano; Lisa Dyer; Thomas Parkinson; Dawn Waye)

Against — (*Registered, but did not testify*: Kyle Bush, Texas Association of Manufacturers; Danielle Lobsinger Bush, Texas Healthcare and Bioscience Institute; Rekha Lakshmanan, The Immunization Partnership; Steven Deline)

On — (*Registered, but did not testify*: Lee Parsley, Texans for Lawsuit Reform)

BACKGROUND: Concerns have been raised about whether vaccine manufacturers can be held liable for harm caused by their vaccines under federal laws that provide certain exemptions. Some have suggested amending the Health and Safety Code to create liability for manufacturers who advertised their vaccine in this state.

DIGEST: CSHB 3441 would make a manufacturer liable to an individual if the manufacturer advertised a vaccine in the state and the advertised vaccine caused harm or injury to the individual.

The bill would define “advertise” as a media communication, including through television, radio, print, the Internet, digital or electronic media, product placement, promotion by an influencer in exchange for

compensation, or other manner of paid promotion, that a vaccine manufacturer purchased to promote the manufacturer's vaccine. The term would not include:

- any discussion between a health care provider and the provider's patient or written materials a health care provider provided to a patient concerning a vaccine; or
- any posters, decorations, or other materials or promotional items concerning a vaccine that were displayed in or made available by a health care facility, health care provider's office, or other clinical setting.

The individual could bring an action under the bill not later than the third anniversary of the date the cause of action accrued.

The bill would require a court to award a claimant who prevailed in an action brought under the bill actual damages and court costs and reasonable attorney's fees incurred in bringing the action.

The bill would take effect September 1, 2025.

SUBJECT: Amending coverage requirements for transportation network companies

COMMITTEE: Insurance — favorable, without amendment

VOTE: 6 ayes — Dean, Hopper, Morgan, Paul, Spiller, Wharton

3 nays — Vo, J. González, Goodwin

WITNESSES: For — (*Registered, but did not testify*: David White, Lyft; Lee Parsley, Texans for Lawsuit Reform; Jeff Emerick, Texas Association of Business; Fred Shannon, Texas Civil Justice League; Gray Rutledge, Texas Conservative Coalition Research Institute; Chris Miller, Uber Technologies, Inc)

Against — Laura Tamez, Texas Trial Lawyers Association (*Registered, but did not testify*: Ware Wendell, Texas Watch)

On — (*Registered, but did not testify*: Walter Gonzales, American Property Casualty Insurance Association; Marianne Baker and Nicole Beall, Texas Department of Insurance; Thomas Parkinson)

BACKGROUND: Insurance Code sec. 1954.053 requires automobile insurance policies to provide to a transportation network company driver while engaged in a prearranged ride at a minimum:

- coverage with a total aggregate limit of liability of $1 million for death, bodily injury, and property damage for each incident;
- uninsured or underinsured motorist coverage where required; and
- personal injury protection coverage where required.

Insurance Code sec. 1954.052 requires automobile insurance policies to provide to a transportation network company driver while logged on to the transportation network company's digital network and available to receive transportation network requests but not engaged in a prearranged ride at a minimum:

- $50,000 of liability insurance coverage for bodily injury to or death for each person in an incident;

- $100,000 of liability insurance coverage for bodily injury to or death of a person per incident;
- $25,000 of liability insurance coverage for damage to or destruction of property of others in an incident;
- uninsured or underinsured motorist coverage where required; and
- personal injury protection coverage where required.

DIGEST:

HB 3520 would specify that minimum coverage requirements under Insurance Code sec. 1954.053 for a transportation network company driver while engaged in a prearranged ride would only apply if the driver had a rider in the vehicle.

The bill would establish that minimum coverage requirements under Insurance Code sec. 1954.052 would apply for drivers engaged in a prearranged ride without a rider in the vehicle.

The bill would take effect September 1, 2025, and would apply only to an automobile insurance policy delivered, issued for delivery, or renewed on or after January 1, 2026.

SUBJECT: Establishing a study on Medicaid coverage of certain infants

COMMITTEE: Public Health — favorable, without amendment

VOTE: 9 ayes — VanDeaver, Campos, Bucy, Collier, Frank, Johnson, J. Jones, Shofner, Simmons

4 nays — Cunningham, Olcott, Pierson, Schofield

WITNESSES: For — Alec Mendoza, Texans Care for Children (*Registered, but did not testify*: Stacy Wilson, Children's Hospital Association of Texas; Michael Dole, Driscoll Health System; Elisa M. Tamayo, El Paso County; Christine Yanas, Methodist Healthcare Ministries; Nzingha Williams-Eugene, Teaching Hospitals of Texas; Helen Kent Davis, Texas Academy of Family Physicians and Texas Primary Care Consortium; Faith Villarreal, Texas Association of Business; Will Holleman, Texas Hospital Association; Amanda Tollett, Texas Medical Association; Clayton Travis, Texas Pediatric Society; Ashley Harris, United Ways of Texas; Thomas Parkinson)

Against — None

On — Hilary Davis, Health and Human Services Commission

BACKGROUND: Concerns have been raised that many newborn babies are not receiving continuous Medicaid coverage during their first year of life, despite federal law guaranteeing such coverage for infants born to Medicaid-enrolled mothers.

DIGEST: HB 2060 would require the Health and Human Services Commission (HHSC) to conduct a study to assess HHSC's compliance with federal guidelines and requirements on the required coverage of certain infants under Medicaid and, in conducting the study, to examine whether or the extent to which HHSC:

- provided Medicaid coverage to infants born in Texas whose mother was a Medicaid recipient at the time of the birth;

- required the submission of a separate application or eligibility determination for such infants;
- required by rule or otherwise that such an infant resided with the infant's mother to remain eligible for Medicaid;
- allowed an infant to receive Medicaid coverage by using the Medicaid identification number of the infant's mother from the period between the infant's birth until the infant reached one year of age or, if the mother would not have had a Medicaid identification number, provided a separate Medicaid identification number to the infant;
- required proof of citizenship for an infant to receive Medicaid coverage before the infant reached one year of age;
- ensured that an infant remained eligible from the period between the infant's birth until the infant reached at least one year of age, unless the infant died, was moved outside of Texas, or was voluntarily disenrolled from Medicaid; and
- conducted an eligibility redetermination for infants before they reached one year of age.

The bill would require HHSC, by September 1, 2026, to prepare and submit to the governor, the lieutenant governor, the speaker of the House of Representatives, and the Legislature a written report that summarized the results of the study and included any legislative recommendations based on the study's results on how to improve coverage rates and related requirements for Medicaid-eligible infants.

The bill would expire September 1, 2027.

The bill would take effect September 1, 2025.

SUBJECT: Designating the First Responders Memorial Loop

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 naming a portion of State Highway Loop 88 as the First Responders Memorial Loop as a tribute to public servants who have fallen in the line of duty.

DIGEST: HB 4731 would designate the portion of State Highway Loop 88 under construction as of September 1, 2025, as a relief route around Lubbock, in Lubbock County, as the First Responders Memorial Loop, in addition to any other designation. The bill would require the Texas Department of Transportation, subject to a grant or donation of funds, to design and construct markers indicating the designation as the First Responders Memorial Loop and any other appropriate information, and to erect a marker at appropriate sites along the loop.

The bill would take effect September 1, 2025.

SUBJECT: Requiring certain attorneys to complete open government law training

COMMITTEE: Delivery of Government Efficiency — favorable, without amendment

VOTE: 11 ayes — Capriglione, Bhojani, Alders, Bowers, Cain, Campos, Cook, Curry, Olcott, Rodríguez Ramos, Tinderholt

0 nays

2 absent — L. Garcia, Troxclair

WITNESSES: For — Emily French, Common Cause Texas; Kelley Shannon, Freedom of Information Foundation of Texas (*Registered, but did not testify*: T. J. Patterson, City of Fort Worth; Shannon Halbrook, Every Texan (CPPP); Michael Schneider, Texas Association of Broadcasters; Donnis Baggett, Texas Press Association; Steven Deline; Thomas Parkinson)

Against — None

BACKGROUND: Some have suggested that attorneys employed by a governmental body to ensure compliance with open meetings and public information laws should be properly informed on their responsibilities through required legal education.

DIGEST: HB 4991 would require an attorney employed or engaged to assist a public official, public information coordinator, or governmental body in administering their responsibilities under the Open Meetings Act and Public Information Act to complete required open meetings and open records trainings, as applicable, within 10 days after the attorney was employed or engaged to assist with those responsibilities. An attorney could not be compensated by a governmental body for the time required to take and complete the training unless the attorney was an employee of the governmental body.

The bill would remove permission for a public official to designate a public information coordinator to satisfy open government training requirements for the public official and would specify that designation of

a public information coordinator did not relieve a public official from the duty to comply with the training obligations established under the bill.

Attorneys assisting public officials, public information coordinators, or governmental bodies in the applicable responsibilities on the effective date of the bill would be required to take applicable required training by October 1, 2025. A public official serving on the effective date who had not previously completed required open government training because the public official previously designated a public information coordinator to complete the training requirements would be required to complete the required training before January 1, 2026.

The bill would take effect September 1, 2025.

SUBJECT: Requiring municipalities to post certain utility service charges online

COMMITTEE: Intergovernmental Affairs — committee substitute recommended

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

1 nay — Lowe

WITNESSES: For — None

Against — None

On — Taylor Kilroy, Texas Public Power Association

BACKGROUND: Some have suggested that increasing transparency around municipal utility charges by requiring their publication online could improve public accountability and ensure that customers better understand how rates are set.

DIGEST: CSHB 1991 would require a municipality that imposed operating, maintenance, replacement, or improvement charges for services provided by a municipality owned utility system to:

- publish the terms and conditions of the charges on the utility system's and municipality's websites; and
- update the utility system's and municipality's websites to reflect the change by the 30th day after the date the municipality adopted a change to the terms and conditions of the charges.

The bill would take effect September 1, 2025.

SUBJECT: Amending voter-approval tax rate for certain coastal municipalities

COMMITTEE: Ways & Means — committee substitute recommended

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

1 nay — Martinez Fischer

WITNESSES: For — Kimberly Danesi and Bryson Frazier, Galveston Park Board of Trustees; Erika Boyd, Texas Travel Alliance (*Registered, but did not testify*: John Schwartz)

Against — None

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

BACKGROUND: Tax Code sec. 26.04 provides formulas for calculating a taxing unit's no-new-revenue rate (NNR) and voter-approval tax rate (VATR). The NNR is the tax rate that would produce the same amount of taxes if applied to the same properties taxed in both years. VATR is the maximum tax rate a taxing unit may adopt without triggering an election for voters to approve or disapprove the tax rate.

VATR for a taxing unit other than a special taxing unit is the rate expressed in dollars per $100 of taxable value calculated under sec. 26.04 according to the following formula:

> VATR = (NO-NEW-REVENUE MAINTENANCE AND OPERATIONS RATE x 1.035) + (CURRENT DEBT RATE + UNUSED INCREMENT RATE).

Tax Code sec. 26.041 provides different formulas for calculating VATR in the first year in which an additional sales and use tax is required to be collected, in a year in which a taxing unit imposes an additional sales and

use tax, and in a year in which a taxing unit that has been imposing an additional sales and use tax ceases to impose an additional sales and use tax.

Some have suggested that adjusting the calculation of VATR for certain coastal municipalities by taking into account misspent hotel occupancy tax revenue would ensure that those municipalities allocated revenue appropriately and maintained fiscal responsibility.

DIGEST:

CSHB 5596 would provide that the voter-approval tax rate (VATR) for an eligible coastal municipality would be equal to the VATR for a taxing unit other than a special taxing unit minus the misspent hotel occupancy tax revenue rate.

The bill would define "eligible coastal municipality" as a home-rule municipality that bordered on the Gulf of Mexico and had a population of less than 80,000 and that had created a park board of trustees for the purpose of acquiring, improving, equipping, maintaining, financing, or operating parks.

The bill would define "misspent hotel occupancy tax revenue" as the amount of hotel occupancy tax revenue received by an eligible coastal municipality during the preceding tax year that:

- was not distributed to the municipality's park board of trustees under a contract or interlocal agreement to be spent for an allowable purpose authorized by laws related to hotel occupancy taxes;
- was spent by the municipality for an unauthorized purpose; or
- was spent by the municipality's park board of trustees for an unauthorized general municipal purpose.

The bill would define "misspent hotel occupancy tax revenue rate" as the rate expressed in dollars per $100 of taxable value calculated according to the following formula:

MISSPENT HOTEL OCCUPANCY TAX REVENUE RATE =
MISSPENT HOTEL OCCUPANCY TAX REVENUE /
CURRENT TOTAL VALUE

The bill would make similar adjustments to the VATR for eligible coastal municipalities when the VATR was calculated differently under Tax Code sec. 26.041 due to changes in the taxing unit's sales and use tax.

The bill would take effect January 1, 2026.

SUBJECT: Staggering terms for Somervell County Hospital District directors

COMMITTEE: Intergovernmental Affairs — committee substitute recommended

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

1 nay — Leo Wilson

WITNESSES: For — Jennifer Claymon, Somervell County Hospital District

Against — None

BACKGROUND: Some have suggested that the Special District Local Laws Code should be updated to reflect the Somervell County Hospital District board's 2015 vote to implement staggered terms of directors after the attorney general concluded that staggered terms would be used to address a tie in the number of votes earned by director candidates.

DIGEST: CSHB 2014 would establish the Somervell County Hospital District, which would consist of seven elected directors serving staggered four-year terms. An election would have to be held on the uniform May election date of appropriate years to elect the appropriate number of directors.

A director of the Somervell County Hospital District who was serving on the day before the bill's effective date would be required to continue to serve until the term expired and a successor had qualified. The directors of the hospital district elected at the 2026 directors' election would have to draw lots to determine which two directors would serve two-year terms and which three directors would serve three-year terms. Directors elected in 2027 or succeeding a director elected before 2027 would be required to serve four-year terms.

The bill would take effect September 1, 2025.

SUBJECT: Requiring study on certain homelessness reduction solutions

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

VOTE: 6 ayes — C. Bell, Zwiener, Cole, Cortez, C. Garcia Hernandez, Rosenthal

4 nays — Lowe, Luther, Spiller, Tepper

1 absent — Leo Wilson

WITNESSES: For — (*Registered, but did not testify*: T. J. Patterson, City of Fort Worth; Joshua Sanders, City of Houston; Nadia Islam, City of San Antonio; Santiago Franco, Harris County Commissioners Court; Alycia Castillo, Texas Civil Rights Project; Kelsey Bernstein, Texas Council of Community Centers; Eric Samuels, Texas Homeless Network; Julie Wheeler, Travis County Commissioners Court)

Against — None

On — (*Registered, but did not testify*: Michael Lyttle, Texas Department of Housing and Community Affairs)

BACKGROUND: Some have suggested that requiring a study on the feasibility of using small dwelling units and related community development strategies could help Texas identify ways to mitigate homelessness.

DIGEST: HB 2142 would require the Texas Department of Housing and Community Affairs (TDHCA) to conduct a study on the feasibility of using a model to address homelessness in the state that was based on partnerships with institutions of higher education, private entities, and local governments, and the use of small dwelling units, as defined by TDHCA, and community development services and plans provided through programs at institutions of higher education.

TDHCA would be required to prepare and submit to the governor, lieutenant governor, and Legislature a written report that included a summary of the results of the study and any recommendations for

legislative or other action based on the results of the study, by December 31, 2026.

The bill would take effect September 1, 2025, and expire September 1, 2027.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of $371,000 to general revenue related funds through the biennium.

SUBJECT: Repealing authorization to establish cemeteries in certain locations

COMMITTEE: Land & Resource Management — favorable, without amendment

VOTE: 6 ayes — Gates, Lalani, Alders, Hunter, Morgan, Virdell

1 nay — Hinojosa

2 absent — Y. Davis, R. Lopez

WITNESSES: For — Robert Tips, Mission Park; Andrew Nicholas; Kristin Tips (*Registered, but did not testify*: Clint Lynch, Texas Cemeteries and Crematories Association; Deborah Harris; Kathleen Nicholas)

Against — Cameron Alexander, SCI (*Registered, but did not testify*: Santiago Franco, Harris County Commissioners Court)

On — (*Registered, but did not testify*: Jon Weist, City of Irving)

BACKGROUND: Health and Safety Code sec. 711.008(g-3) and (g-4) authorize an individual, corporation, partnership, firm, trust, or association to file a written application with the governing body of a municipality or the commissioners court of a county to establish or use a cemetery located inside the limits of the municipality or county. The sections apply only to a municipality that is located in a county with a population over 750,000, or a county adjacent to a county with a population over 750,000.

Some have suggested that previous regulations prohibiting cemeteries from being established in or within certain distances of a municipality based on its population should be restored.

DIGEST: HB 2673 would repeal Health and Safety Code secs. 711.008(g-3) and (g-4), which pertain to authorization to establish a cemetery in certain counties.

The bill would take effect September 1, 2025.

SUBJECT: Expanding county authority to regulate roadside vending and solicitation

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

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

1 nay — Luther

WITNESSES: For — Ari Arias, Kingdom Rescue; Ethel Strother, Texas Animal Control Association; Rebecca Chavez, Yaqui Animal Rescue (*Registered, but did not testify*: Denise Rose, Best Friends Animal Society; Melissa Shannon, Bexar County Commissioners Court; Joshua Sanders, City of Houston; Jennifer Szimanski, Combined Law Enforcement Associations of Texas (CLEAT); Adam Haynes, Conference of Urban Counties; James Parnell, Dallas Police Association; Elisa M. Tamayo, El Paso County; Katelyn Caldwell, Harris County Commissioners Court; Albert Cheng, Houston PetSet & Padfoot PAC; Ray Hunt, Houston Police Officers' Union; Francesca Chillino, Texas Humane Legislation Network; John Sierega, TMPA; Julie Wheeler, Travis County Commissioners Court; Steven Deline)

Against — None

BACKGROUND: Concerns have been raised about public safety hazards associated with roadside vending and solicitation, especially in high-traffic areas. Some have suggested expanding the authority of certain counties to regulate these activities.

DIGEST: HB 2731 would lower the population threshold for counties authorized to regulate the sale of goods, the placement of vendor structures, and the solicitation of money on or near public roads and parking lots from 1.3 million to 500,000.

For counties that border the United Mexican States, the bill would lower the population threshold from 870,000 to 200,000. The bill would remove

restrictions that limit regulations to roads with speed limits of 40 miles per hour or more.

The bill would take effect on September 1, 2025.

SUBJECT: Expanding compensation for certain wrongfully imprisoned persons

COMMITTEE: Criminal Jurisprudence — favorable, without amendment

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

0 nays

WITNESSES: For — (*Registered, but did not testify*: James Parnell, Dallas Police Association; Kathy Mitchell, Equity Action; John Wilkerson, Texas Municipal Police Association (TMPA); Cicely Kay, Travis County Commissioners Court; Steven Deline; Thomas Parkinson; Susan Stewart)

Against — None

BACKGROUND: Concerns have been raised that current law limits access to compensation for certain individuals whose convictions are reversed, even when prosecutors support expunction of all arrest records and related files and expunction was granted.

DIGEST: HB 2417 would authorize a district court to order the expunction of arrest records and case files for a person who was tried and convicted for an offense and the conviction was reversed on appeal, and who received a recommendation for expunction from the prosecutor. The bill would allow a person to qualify for compensation for wrongful imprisonment if the person had all records and files relating to the person's arrest expunged.

Individuals who would be eligible for expunction and compensation under the bill who had not previously received compensation would be allowed to apply within three years of the bill's effective date.

The bill would take effect on September 1, 2025.

NOTES: According to the Legislative Budget Board, the fiscal implications of the bill cannot be determined due to an unknown number of claimants that would result from the bill.

SUBJECT: Requiring specific findings in court orders when child is in DFPS custody

COMMITTEE: Judiciary & Civil Jurisprudence — committee substitute recommended

VOTE: 6 ayes — Leach, Dutton, Dyson, Hayes, LaHood, Schofield

4 nays — Johnson, Flores, J. González, Moody

1 absent — Landgraf

WITNESSES: For — Jeremy Newman, Family Freedom Project; Julia Hatcher, Texas Association of Family Defense Attorneys; Taran Champagne; Cody Taylor; Cecilia Wood (*Registered, but did not testify*: Sarah Crockett, Texas CASA)

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

On — Amy Lee Owen Kloesel

BACKGROUND: Family Code sec. 263.002 provides for a hearing when the Department of Family and Protective Services (DFPS) is the temporary or permanent managing conservator of a child. At each permanency hearing before the final order is issued, the court is required to review the placement of each child in the temporary managing conservatorship of DFPS who has not been returned to the child's home. At the end of the hearing, the court is required to order DFPS to return the child to the child's parent or parents unless the court finds, with respect to each parent, that:

- there is continuing danger to the physical health or safety of the child; and
- returning the child to the child's parent or parents is contrary to the welfare of the child.

Concerns have been raised that certain judicial orders in parental rights and child safety cases lack clarity regarding the court's determination whether to return a child in the state's temporary custody to the child's parent or parents.

DIGEST:

CSHB 2399 would require the court to include in a separate section of its order written findings describing with specificity the factual basis for the court's determination under Family Code sec. 263.002 regarding a child in the temporary managing conservatorship of DFPS. Citing the record of the proceedings or incorporating the record by reference would be insufficient to meet the requirements of the bill. This section of the court's order could not be admitted into evidence in a final trial in a suit affecting the parent-child relationship.

The bill would require the court, at each permanency hearing before a final order was rendered, to determine whether to return the child to the child's parents in accordance with sec. 263.002, rather than on the determination that the child's parents were willing and able to provide the child with a safe environment and the return of the child was in the child's best interest.

If the court determined not to return the child to the child's parents in accordance with sec. 263.002, the court would be required to include in a separate section of its order written findings describing with specificity the factual basis for the court's determination. Citing the record of the proceedings or incorporating the record by reference would be insufficient to meet the requirement.

The bill would repeal a provision specifying that sec. 263.002 did not prohibit the court from rendering a temporary order related to the monitored return of a child to the parent.

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

The bill would take effect September 1, 2025.

SUBJECT: Requiring state to provide paternity registry search results within 10 days

COMMITTEE: Judiciary & Civil Jurisprudence — committee substitute recommended

VOTE: 9 ayes — Leach, Johnson, Dutton, Dyson, Flores, Hayes, LaHood, Landgraf, Schofield

0 nays

2 absent — J. González, Moody

WITNESSES: For — Alec Puente, Adoption Angels; Heidi Cox, The Gladney Center and Family Law Foundation (*Registered, but did not testify*: Amy Bresnen, Texas Family Law Foundation; Steven Deline; Thomas Parkinson)

Against — Cecilia Wood

On — (*Registered, but did not testify*: Tara Das, Department of State Health Services)

BACKGROUND: Concerns have been raised that the time taken by the state to produce a paternity list, used to notify potential fathers that their potential child may be placed for adoption, can often unduly delay the adoption process.

DIGEST: CSHB 2301 would amend the Family Code to require a vital statistics unit to furnish a certificate of the results of a search of the registry for paternity within 10 days after the date of the receipt of a request by an individual, a court, or a relevant agency.

CSHB 2301 would take effect September 1, 2025.

NOTES: According to the Legislative Budget Board, HB 2301 would have a negative impact of about $2.3 million in the general revenue related funds through the 2026-27 biennium.

SUBJECT: Amending the authority of a county to dispose of surplus property

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

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

0 nays

1 absent — Tepper

WITNESSES: For — Julie Wheeler, Travis County Commissioners Court (*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; Elisa M. Tamayo, El Paso County; Santiago Franco, Harris County Commissioners Court)

Against — None

BACKGROUND: Local Government Code sec. 263.152(a) establishes that the commissioners court of a county may dispose of property by donating it to a civic or charitable organization located in the county if the commissioners court determines that:

- undertaking to sell the property would likely result in no bids or a bid price that is less than the county's expenses required for the bid process;
- the donation serves a public purpose; and
- the organization will provide the county with adequate consideration, such as relieving the county of transportation or disposal expenses related to the property.

Concerns have been raised that the requirement that a county must determine that the property would not receive bids in a competitive bid or auction process before donating it may hinder counties' ability to dispose of unused property in a way that benefits the community.

DIGEST:

HB 3335 would amend Local Government Code sec. 263.152(a) to remove the condition for a commissioners court to dispose of property by donating it to a civic or charitable organization if it determined that undertaking to sell the property would likely result in no bids or a low bid price. The bill would add a condition that the county can retain sufficient control over the donation process to ensure that the public purpose of the donation was accomplished.

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: Revising regulations for certain county construction projects

COMMITTEE: Intergovernmental Affairs — favorable, without amendment

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

0 nays

WITNESSES: For — Dan Curry and Melissa Shannon, Bexar County Commissioners Court (*Registered, but did not testify*: Adam Haynes, Conference of Urban Counties; Josie Castro Garcia, Dallas County; Katelyn Caldwell, Harris County Commissioners Court; Aaron Taliaferro, Tarrant County Administrator's Office; Julie Wheeler, Travis County Commissioners Court; Steven Deline)

Against — None

BACKGROUND: Local Government Code sec. 245.007 establishes that a political subdivision may not require a county to notify the political subdivision or obtain a building permit for any new construction or any renovation of a building or facility owned by the county if the construction or renovation work is supervised and inspected by an engineer or architect licensed in this state. These provisions only apply to a building or facility that is owned by a county with a population of 3.3 million or more and is located within the boundaries of another political subdivision and does not exempt a county from complying with the building standards of the political subdivision during the construction or renovation of the building or facility.

Concerns have been raised that Bexar County stakeholders experience inefficiencies in construction and renovation projects due to the requirement to coordinate with local governments for inspections.

DIGEST: HB 3234 would amend Local Government Code sec. 245.007 to lower the county population threshold from 3.3 million to one million for which a

political subdivision may not require a county to notify it or obtain a building permit for certain construction.

The bill would take effect September 1, 2025.

SUBJECT: Establishing the religious institutions self-insurance pool

COMMITTEE: Insurance — favorable, without amendment

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

0 nays

WITNESSES: For — John Litzler, Baptist General Convention of Texas Christian Life Commission; Shariq Ghani, Minaret Foundation (*Registered, but did not testify*: Caitlin Flanders and Michelle Wittenburg, Justice and Unity for Society Together PAC; Carl Isett, Texas Association of Benefit Administrators; Jennifer Allmon, The Texas Catholic Conference of Bishops)

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

On — (*Registered, but did not testify*: Jamie Walker, Texas Department of Insurance)

BACKGROUND: Concerns have been raised that many religious institutions have struggled with the increasing costs of insuring their facilities. Some have suggested that allowing churches, nonprofit religious organizations, and religious denominations to create and participate in a property and casualty self-insurance pool rather than obtaining coverage from traditional insurers would provide more affordable insurance alternatives for religious institutions in Texas.

DIGEST: HB 3320 would establish the religious institutions self-insurance pool.

The self-insurance pool could be created by two or more churches or nonprofit religious organizations or one or more religious denominations that entered into an indemnity agreement signed by each organizing party acknowledging and agreeing to assume the obligations of the pool. Each organizing party that entered into the agreement would have to have a

positive net worth, be financially solvent, and be capable of assuming the pool's obligations.

The organizing parties of a religious self-insurance pool would be required to establish a trust fund to serve as the group self-insurance account for the members.

Temporary board. At the time the organizing parties entered into the pool creation agreement, they would be required to select nine individuals to serve as the temporary board and draft a plan of operation for the pool. The temporary board could solicit applications from prospective members to participate in the pool on the date it began providing pool coverage, accept payment of premiums for prospective pool coverage, and take any other action necessary to complete and apply for a certificate of authority.

Certificate of authority. The pool could not provide pool coverage before the Texas Department of Insurance (TDI) issued a certificate of authority to the pool. The temporary board would be required to submit to TDI a written application, including the pool creation agreement, the plan of operation, and evidence of relevant financial strength and liquidity of the organizing parties, for a certificate of authority. The bill would specify forms of evidence of financial strength and liquidity and items to be included in the application, which would have to be notarized.

The insurance commissioner would be required to approve an application if the application and the proposed pool satisfied the requirements of the bill and rules adopted by the commissioner. The commissioner could impose fees to cover TDI's expenses in reviewing the application and as reasonable and necessary to defray the costs of administering the bill.

Pool operation. The pool would be covered by a board of trustees composed of nine members. Within 15 days after the insurance commissioner approved the temporary board's application for a certificate of authority, the initial regular board would have to be selected. Members of the initial regular board would be required to take office within 30 days after the application was approved.

The board could administer the pool by employing an administrator or contracting with a third-party administrator if the board purchased a bond, errors and omissions insurance, directors' and officers' liability insurance,

or another security approved by the insurance commissioner for the administration of the pool.

A third-party administrator contracted by the board and whose acts were not covered by a security and any person contracting either directly or indirectly with the pool to provide claims adjusting, underwriting, safety engineering, loss control, marketing, investment advisory, or administrative services to the pool or the members, other than bookkeeping, auditing, or claims investigation services, would be required to:

- submit to TDI certain receipts indicating the deposit and pledge to secure the performance of the administrator's or person's obligations;
- submit to TDI a surety bond issued by a corporate surety authorized to engage in business in the state of not less than $50,000; and
- place all contractual terms in a written agreement that constituted the entire agreement between the parties and was signed by the administrator or person and the pool.

Pool coverage. The pool's certificate of authority would authorize the pool to provide coverage to churches, nonprofit religious organizations, and religious denominations on a self-insured basis for damage to or loss of a structure or building. Pool coverage could include premises liability coverage, contents coverage for furniture or equipment, wind and hail coverage, loss of use coverage, or medical payments coverage.

Pool coverage would be provided in the form of an indemnity agreement entered into by the member under which the member was entitled to pool coverage in exchange for paying premiums to the pool and was obligated for pool liabilities. Each member would be jointly and severally liable for liabilities incurred by the pool for each fiscal year in which the member was entitled to pool coverage.

The board would be required to prescribe underwriting guidelines and procedures for evaluating risks, as well as procedures for eligible persons to apply to become members.

Rates. The board would be required to set actuarially justified rates for pool coverage. The board would be required to file proposed rates with

TDI and could use the rates beginning 90 days after the filing date, unless the insurance commissioner disapproved. The board also would be required to prescribe a reasonable procedure for any member aggrieved by the rates to request in writing a review of the rating system for pool coverage.

The bill would require the board to grant or deny the request in writing within 30 days of receiving it. If the board rejected a request for review or failed to grant or reject the request within 30 days, the party requesting the review could appeal to the commissioner for a hearing within 30 days. After the hearing, the commissioner could affirm, modify, or reverse an action taken by the board with respect to rates.

On the request of the insurance commissioner, the pool would have to obtain a rate review conducted by a national independent actuarial firm that would be required to report its findings to the commissioner. The commissioner could make no more than two rate review requests in any calendar year.

Pool membership solicitation. Any person soliciting applications for pool membership would be required to hold a general property and casualty agent license unless it was not the primary duty of a pool employee or employee of a religious denomination or association of nonprofit religious organizations to solicit applications for pool membership.

An insurance agent or other person involved in soliciting or processing applications for pool membership would not be liable for claims arising from pool insolvency or the pool's inability to pay claims as they became due unless the claimant had first exhausted all remedies available to the claimant against the members.

For purposes of soliciting, selling, or negotiating the renewal or sale of group self-insurance coverage, insurance products, or insurance services, an insurance agent would have the exclusive use of expirations, records, or other written or electronic information directly related to an application for pool coverage submitted to the agent or a pool coverage agreement arranged through the agent.

An insurance agent's claim for lost commissions would have to be resolved in accordance with dispute resolution terms in the applicable agent contract. In the absence of such terms, the parties would be required to attempt to resolve the dispute through mediation. If mediation were not successful, the parties could agree to submit the claim to binding arbitration before an insurance agent brought an action against the pool for the claim.

Pool membership solicitation provisions would not apply to:

- a pool coverage agreement provided by the pool on request, individually or through a pool administrator;
- an insurance agent contract for the insurance agent's exclusive representation of one pool member or a prospective pool member or a group of affiliated members or prospective members, in which case the rights of the agent were determined by the terms of the contract;
- a default by an insurance agent for nonpayment of premiums under the insurance agent's contract with the pool; or
- a terminated insurance agent contract if the pool was required by law to continue coverage for the member, in which case, the bill would provide a procedure for continuing to pay the agent's commission for a specified period.

Financial provisions. To maintain the pool's financial stability, the insurance commissioner would have to require two or more members to maintain a minimum combined net worth of $1 million and a current assets to current liabilities ratio of at least one-to-one. The commissioner could waive these requirements after the pool had been operating for three years and had a total surplus of $3 million.

The pool would have to maintain at least $750,000 in earned premiums in the pool's first year of operation and at least $2 million each year after, as documented in the pool's audited financial statement. Each year, the board would be required to submit certain receipts or a surety bond to indicate financial security, depending on whether it was the pool's first year of operation.

To maintain financial stability, the board would be required to annually assess each member a reserve payment in a percentage amount approved by the insurance commissioner of the premium owed by the member for

the year. The board would be required to deposit all reserve payments into a separate reserve account and maintain the account at all times while the pool was in operation. The board could not withdraw money from the account without the commissioner's approval.

Excess insurance and reinsurance. The pool would have to maintain, on a fiscal year basis, a contract of specific excess insurance or reinsurance in an actuarially sound and commissioner-approved amount. The maximum retention under the contract could not exceed the amounts provided by the commissioner.

For the sole purpose of authorizing the purchase of reinsurance, the pool would be considered an insurer. The board could purchase excess insurance or reinsurance from a domestic or foreign company that met certain eligibility requirements established by the bill.

Commissioner examination. The insurance commissioner would be required to examine the pool at least once every five years and as necessary. In conducting an examination, the commissioner would have the same powers and duties with respect to the pool, and with respect to other persons in relation to the pool's affairs and condition, that the commissioner had with respect to an insurer or other persons with respect to an insurer's affairs and condition.

Pool dissolution. If the pool's members elected to dissolve the pool, the board would be required to apply to the insurance commissioner for the authority to do so. The commissioner would be required to approve or disapprove an application within 60 days after receiving the application. The commissioner would be required to approve an application to dissolve the pool if the pool had no outstanding liabilities or was covered by an irrevocable commitment from an authorized insurer that provided for payment of all outstanding liabilities and related services.

Upon the pool's dissolution and after payment of all outstanding liabilities and indebtedness, the pool's assets would be distributed to the members in accordance with a distribution plan submitted by the board to TDI and approved by the commissioner.

Enforcement. A consumer could file a complaint with TDI to report a suspected violation of the bill or the pool's failure to meet its obligations

under a coverage agreement or the plan of operation. After investigating a complaint, the commissioner could order the board to take corrective action instead of taking an enforcement action.

The commissioner could order the board to submit a corrective action plan to remediate any noncompliance or financial issues affecting the pool. Failure by the pool to comply with the corrective action plan could result in the imposition of an administrative penalty, suspension or revocation of the pool's certificate of authority, or placement of the pool into supervision.

If the insurance commissioner determined the pool had violated the bill, a commissioner rule, or any order or directive issued by the commissioner, the commissioner could order the pool to cease and desist from the conduct constituting the violation or suspend or revoke the pool's certificate of authority.

If the commissioner determined that the pool or any trustee, member, officer, administrator, or employee of the pool had committed a violation, the commissioner could impose an administrative penalty not to exceed $2,000 for each violation. For a subsequent violation, the commissioner could impose an administrative penalty not to exceed $4,000.

General provisions. The pool would not be an insurer, and pool coverage would not be insurance for purposes of the Insurance Code. The pool would not be a partnership under the laws of this state. The pool would not be a member insurer of the Texas Property and Casualty Insurance Guaranty Association, and the board would be required to provide written notice to applicants for pool membership that this is the case. A religious institutions self-insurance pool would have to be domiciled in this state.

The insurance commissioner could adopt rules necessary to implement the bill.

The bill would lay out provisions pertaining to record-keeping, member refunds, investment permissions, consecutive net losses, and insolvency plans.

A board of trustees could not apply for a certificate of authority under the bill before January 1, 2026.

The bill would take effect September 1, 2025.

SUBJECT: Establishing whistleblower protections for reports of wasteful spending

COMMITTEE: State Affairs — committee substitute recommended

VOTE: 12 ayes — King, Anchía, Darby, Y. Davis, Geren, Hull, McQueeney, Metcalf, Raymond, Smithee, Thompson, Turner

0 nays

3 absent — Hernandez, Guillen, Phelan

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

Against — None

BACKGROUND: The Texas Whistleblower Act protects a public employee who reports a violation of law to an appropriate law enforcement authority. Concerns have been raised that public employees who report wasteful government spending do not have the same protection, which could stop employees from making reports out of fear of retaliation from employers.

DIGEST: CSHB 5573 would prohibit a state or local governmental entity from suspending or terminating the employment of, or from taking other adverse personnel action against, a public employee who in good faith reported wasteful spending by the governmental entity, another public employee, or an elected officer of the employing governmental entity. A report of wasteful spending would have to be made to the state auditor's office to qualify under the Texas Whistleblower Act. The bill also would add an elected officer of the employing governmental entity to those who could be the subject of a public employee's report of a violation of law under the act.

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: Expanding competency-based bachelor's degree programs

COMMITTEE: Higher Education — committee substitute recommended

VOTE: 8 ayes — Wilson, Howard, A. Davis, Lalani, V. Perez, Shaheen, VanDeaver, Ward Johnson

0 nays

3 absent — Lambert, Shofner, Tinderholt

WITNESSES: For — (*Registered, but did not testify*: Samantha Boiser, Educate Texas; Grace Atkins, Texas 2036)

Against — None

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

BACKGROUND: Some have suggested that competency-based education is an innovative approach that allows college students to progress through coursework based on their ability to master a subject, rather than on the amount of time spent in a classroom. While some institutions of higher education offer competency-based education, concerns have been raised that access to these programs is limited and the available programs are not always aligned with high-demand fields.

DIGEST: CSHB 4848 would require the system administration of each university system, subject to Texas Higher Education Board (THECB) approval, to ensure that one or more higher education institutions in the system offered competency-based baccalaureate degree programs in each field of study in high demand, as determined by THECB rule.

A competency-based degree program offered under the bill could not exceed a total cost of $10,000 to an enrolled student. Beginning with the 2027-28 academic year, THECB would have to annually adjust the cost limit for the preceding academic year by the rate of inflation for the

preceding year, as determined on the basis of changes in the Consumer Price Index.

The bill would apply beginning with the 2026-2027 academic year and 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 unknown number of high-demand fields of study for which a competency-based degree program would be required.

SUBJECT: Establishing a multiple award purchasing procedure for state agencies

COMMITTEE: Delivery of Government Efficiency — committee substitute recommended

VOTE: 12 ayes — Capriglione, Bhojani, Alders, Bowers, Cain, Campos, Cook, Curry, L. Garcia, Olcott, Rodríguez Ramos, Tinderholt

0 nays

1 absent — Troxclair

WITNESSES: For — None

Against — None

On — (*Registered, but did not testify*: Gerard MacCrossan and Bobby Pounds, Comptroller of Public Accounts)

BACKGROUND: Concerns have been raised that because current law generally requires a state contract to be awarded to one contractor offering the best value to the state, if a contractor withdraws or cannot meet their obligations, the procurement process must recommence to find another contractor. Some have suggested that revising the state procurement process to permit multiple awards of a state contract would remedy this issue and ensure service continuity, fiscal responsibility, and administrative oversight.

DIGEST: CSHB 4748 would establish the multiple award purchasing procedure to be used by the comptroller or a state agency to award a contract to more than one vendor for the purchase of similar goods or services as necessary to ensure adequate delivery, service, or product compatibility.

The comptroller or a state agency would be required to prepare a written determination stating the comptroller's or agency's reasons for using the multiple award purchasing procedure to purchase the goods or services under a multiple award contract. The comptroller or a state agency would be required to disclose in the solicitation for a multiple award contract the

comptroller's or agency's intent to use the procedure and criteria for an award under that procedure.

The comptroller or a state agency would be required to solicit, evaluate, and award a multiple award contract in accordance with existing law. Each contractor would be required to provide, or be capable of providing, the best value to the state.

The comptroller or a state agency would be required to place each order under a multiple award contract in a manner that provided the best value to the state in accordance with state purchasing provisions. If necessary to determine the best value to the state, the comptroller or agency could conduct a secondary solicitation competition among the vendors awarded a multiple award contract before placing the order. The comptroller or a state agency would be required to document the method used for determining the best value to the state under a multiple award contract.

State purchasing methods provisions would not apply to a contract for professional services under the Professional Services Procurement Act.

The bill would take effect September 1, 2025.

SUBJECT: Authorizing electronic delivery of documents sent or received by TDLR

COMMITTEE: Licensing & Administrative Procedures — favorable, without amendment

VOTE: 13 ayes — Phelan, Thompson, Gerdes, Geren, Harless, Harris, Hernandez, Longoria, McQueeney, Patterson, M. Perez, Romero, Walle

0 nays

WITNESSES: For — (*Registered, but did not testify*: Jesus Moreno, Elevator Industry Work Preservation)

Against — None

On — (*Registered, but did not testify*: Doug Jennings, TDLR)

BACKGROUND: Occupations Code sec. 51.207 requires the Texas Commission of Licensing and Regulation to develop and implement a policy requiring the executive director of the Texas Department of Licensing and Regulation (TDLR) and its employees to research and propose appropriate technological solutions to improve the department's ability to perform its functions. The commission may require an applicant, license holder, or other person who regularly receives correspondence from TDLR to provide an email address for purposes of receiving correspondence. An email address used under these provisions is confidential and is not subject to disclosure under the Public Information Act.

Concerns have been raised that TDLR relies on traditional methods, such as certified mail, to send and receive certain correspondence and documents, which can be inefficient and time-consuming.

DIGEST: HB 4769 would amend Occupations Code sec. 51.207 to provide that the Texas Commission of Licensing and Regulation (TCLR) could require an applicant or license holder to provide an email address to Texas Department of Licensing and Regulation (TDLR).

The bill would include that TCLR by rule could provide that any correspondence sent or received by TDLR be delivered electronically, including any notice, order, or pleading required by law.

The bill would repeal provisions regarding certain administrative procedures for penalty and contested case notices.

The bill would take effect September 1, 2025.