

# SENATE JOURNAL

**EIGHTY-NINTH LEGISLATURE — REGULAR SESSION**

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**AUSTIN, TEXAS**

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**PROCEEDINGS**

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## **FORTY-SEVENTH DAY**

(Thursday, May 29, 2025)

The Senate met at 1:43 p.m. pursuant to adjournment and was called to order by the President.

The roll was called and the following Senators were present: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Creighton, Eckhardt, Flores, Gutierrez, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, Johnson, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

The President announced that a quorum of the Senate was present.

Senator West offered the invocation as follows:

Heavenly Father, in the name of Your son, Jesus, who shed His blood for all mankind, that each of us in our own individual way acknowledge each and every day. Father, as we have a new dawning of the 136th day of this legislative session, I hope, Father, that we have used the talent and tools that You have provided us in a manner in which You would be grateful, and also make certain that we've done Your will. Father, we haven't gotten everything right, but we tried our best to do so. We haven't been able to look out for everyone, but we've tried our best to do so because we know, Father, that what we do to the least of these, You will remember because that's what You would have us use our talents for. So, Father, as we embark on this 136th day of session, we say thank You, thank You for Your darling son, Jesus, thank You for all of His sacrifices. And we hope that as we move forward, You, Father, will shine upon each and every one of us and say, well done my son, well done my daughter. Amen.

Senator Zaffirini moved that the reading of the Journal of the proceedings of the previous day be dispensed with and the Journal be approved as printed.

The motion prevailed without objection.

## **MESSAGE FROM THE HOUSE**

**HOUSE CHAMBER**

Austin, Texas

Thursday, May 29, 2025 - 1

The Honorable President of the Senate

Senate Chamber  
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

**SB 204** Paxton Sponsor: Leo Wilson  
Relating to a handbook on parental rights in education and training requirements on parental rights in education for a member of the board of trustees of a school district.

**SB 437** Hinojosa, Juan "Chuy" Sponsor: Cunningham  
Relating to the provision of inservice training on identifying abuse, neglect, and illegal, unprofessional, and unethical conduct in certain health care facilities and to civil and administrative penalties assessed for violations of statutes or rules governing chemical dependency treatment facilities.  
(Committee Substitute)

**SB 568** Bettencourt Sponsor: Buckley  
Relating to special education in public schools, including funding for special education under the Foundation School Program.  
(Committee Substitute)

**SB 612** Hinojosa, Juan "Chuy" Sponsor: Martinez  
Relating to the authority of certain conservation and reclamation districts to impose fees for the construction of certain pipelines and associated infrastructure.

**SB 672** Hughes Sponsor: Davis, Aicha  
Relating to a requirement that certain hospitals submit a summary of parts of their emergency operations plans to the Health and Human Services Commission.

**SB 710** Eckhardt Sponsor: Bucy  
Relating to the establishment and use of a written electronic communications system accessible to the public by certain municipal entities.  
(Committee Substitute)

**SB 823** Middleton Sponsor: Leo Wilson  
Relating to labeling and representation of imported shrimp; authorizing an administrative penalty.

**SB 876** Birdwell Sponsor: Slawson  
Relating to the designation of a portion of U.S. Highway 377 in Hood and Johnson Counties as the Bob Cornett Parkway.

**SB 904** Zaffirini Sponsor: Cunningham  
Relating to the licensing and regulation of hearing instrument fitters and dispensers.  
(Amended)

**SB 905** Zaffirini Sponsor: Cunningham  
Relating to the licensing and regulation of speech-language pathologists and audiologists.  
(Amended)

- SB 968** Zaffirini Sponsor: Cunningham  
Relating to the licensing and regulation of the practice of podiatry.
- SB 1084** Campbell Sponsor: Lalani  
Relating to certain mammography reports providing required breast density information.
- SB 1207** King Sponsor: Leo Wilson  
Relating to instruction on adoption in the parenting and paternity awareness program in public schools.
- SB 1230** Hughes Sponsor: Shofner  
Relating to the designation of Farm-to-Market Road 10 in Panola County as the Deputy Sheriff Chris Dickerson Memorial Highway.
- SB 1313** Cook Sponsor: Cunningham  
Relating to prohibited signs, logos, and designs in advertising or marketing cigarettes, e-cigarettes, or other tobacco products; creating a criminal offense.
- SB 1504** Middleton Sponsor: Paul  
Relating to meetings of the board of directors of the Gulf Coast Authority.  
(Committee Substitute)
- SB 2232** Hinojosa, Adam Sponsor: Bumgarner  
Relating to designating October 21 as Unplug Texas Day.
- SB 2366** Hughes Sponsor: Hefner  
Relating to a grant program to fund certain short line railroad projects.
- SB 2367** Kolkhorst Sponsor: Kitzman  
Relating to the authority of certain counties to enact certain park use rules.
- SB 2398** Campbell Sponsor: Cunningham  
Relating to certain policies and procedures related to concussions or other brain injuries sustained by public school students.
- SB 2515** Hughes Sponsor: Alders  
Relating to the designation of a portion of State Highway 64 in Smith County as the Fire Marshal Jimmy W. Seaton Memorial Highway.
- SB 2520** Bettencourt Sponsor: Noble  
Relating to the calculation of the limitation on the total amount of ad valorem taxes imposed by a school district on the residence homestead of an individual who is elderly or disabled.
- SB 2589** Zaffirini Sponsor: McLaughlin  
Relating to procedures for a commissioners court to close, abandon, or vacate certain county roads.
- SB 2786** Creighton Sponsor: Lambert  
Relating to the exemption from the assessment requirements of the Texas Success Initiative for certain students who are public officers or employees.
- SB 2790** West Sponsor: Davis, Aicha  
Relating to the designation of a portion of U.S. Highway 67 in Dallas and Ellis Counties as the Eddie Bernice Johnson Memorial Highway.

**SB 3048**

Birdwell

Sponsor: Orr

Relating to the creation of the Bluebonnet Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes; granting a limited power of eminent domain.

**SB 3050**

Hughes

Sponsor: Luther

Relating to the creation of the Fannin County Improvement District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

**SB 3052**

Parker

Sponsor: Hayes

Relating to the powers and duties and validating certain acts and proceedings of the Cole Ranch Improvement District No. 1 of Denton County, Texas.

**SB 3053**

Parker

Sponsor: Hayes

Relating to the powers and duties and validating certain acts and proceedings of the Hunter Ranch Improvement District No. 1 of Denton County, Texas.

**SB 3056**

Hagenbuch

Sponsor: Luther

Relating to the creation of the Alluvium Ranch Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes; granting a limited power of eminent domain.

Respectfully,

/s/Stephen Brown,

Chief Clerk

House of Representatives

**SENATE RESOLUTION 625**

Senator Birdwell offered the following resolution:

**SR 625**, Recognizing the McLennan Community College Dance Team for winning two championship titles.

The resolution was read and was adopted without objection.

**GUESTS PRESENTED**

Senator Birdwell was recognized and introduced to the Senate the McLennan Community College Dance Team including Victoria Westbrook, Skye Wall, Sophie Trice, Jade Rivera, and Mia Lozano, accompanied by McLennan Community College President, Dr. Johnette McKown; Dance Team Head Coach Ashlee Keyes; and Assistant Coach Emma Howard.

The Senate welcomed its guests.

**GUESTS PRESENTED**

Senator J. Hinojosa, joined by Senators Zaffirini and A. Hinojosa, was recognized and introduced to the Senate students from The University of Texas Rio Grande participating in the Rio Grande Valley Legislative Internship Program and the Texas Legislative Fellowship Program including Sylvia Giselle Rodriguez, Paulina King Benitez, Natalie Garcia, and Sophia Lopez.

The Senate welcomed its guests.

### PHYSICIAN OF THE DAY

Senator Eckhardt was recognized and presented Dr. Georgeanne Freeman of Austin as the Physician of the Day.

The Senate welcomed Dr. Freeman and thanked her for her participation in the Physician of the Day program sponsored by the Texas Academy of Family Physicians.

### SENATE BILL 4 WITH HOUSE AMENDMENT

Senator Bettencourt called **SB 4** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

#### Floor Amendment No. 1

Amend **SB 4** (house committee report) as follows:

- (1) On page 3, line 9, strike "January" and substitute "September".
- (2) On page 6, lines 10 and 11, strike "For the 2023-2024 and 2024-2025 school years" and substitute "Beginning with the 2023-2024 school year".
- (3) On page 6, line 13, strike "[for each school year]" and substitute "for each school year".
- (4) On page 6, lines 20 and 21, strike "2023-2024 or 2024-2025 [~~current~~] school year, as applicable," and substitute "current school year".
- (5) On page 6, lines 26 and 27, strike "2023-2024 or 2024-2025 school year, as applicable" and substitute "current school year".

The amendment was read.

Senator Bettencourt moved to concur in the House amendment to **SB 4**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

### SENATE BILL 23 WITH HOUSE AMENDMENT

Senator Bettencourt called **SB 23** from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

#### Floor Amendment No. 1

Amend **SB 23** (house committee report) on page 3, line 9, by striking "January" and substituting "September".

The amendment was read.

Senator Bettencourt moved to concur in the House amendment to **SB 23**.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Johnson.

### GUEST PRESENTED

Senator Miles was recognized and introduced to the Senate D'Angelo Colter.

The Senate welcomed its guest.

(Senator A. Hinojosa in Chair)

**SENATE BILL 13 WITH HOUSE AMENDMENTS**  
**(Motion In Writing)**

Senator Paxton called **SB 13** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Amendment**

Amend **SB 13** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED  
AN ACT

relating to a school district's library materials and catalog, the establishment of local school library advisory councils, and parental rights regarding public school library catalogs and access by the parent's child to library materials.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 26.004(b), Education Code, is amended to read as follows:

(b) A parent is entitled to access to all written records of a school district concerning the parent's child, including:

- (1) attendance records;
- (2) test scores;
- (3) grades;
- (4) disciplinary records;
- (5) counseling records;
- (6) psychological records;
- (7) applications for admission;
- (8) health and immunization information;
- (9) teacher and school counselor evaluations;
- (10) reports of behavioral patterns; ~~and~~

(11) records relating to assistance provided for learning difficulties, including information collected regarding any intervention strategies used with the child; and

(12) records relating to school library materials the child obtains from a school library.

SECTION 2. Subchapter B, Chapter 33, Education Code, is amended by adding Section 33.020 to read as follows:

Sec. 33.020. DEFINITIONS. In this subchapter:

(1) "Harmful material" has the meaning assigned by Section 43.24, Penal Code.

(2) "Indecent content" means content that portrays sexual or excretory organs or activities in a way that is patently offensive.

(3) "Library material" means any book, record, file, or other instrument or document in a school district's library catalog. The term does not include instructional material, as defined by Section 31.002, or materials procured for the TexShare consortium under Subchapter M, Chapter 441, Government Code.

(4) "Profane content" means content that includes grossly offensive language that is considered a public nuisance.

SECTION 3. Section 33.021, Education Code, is amended by amending Subsection (d) and adding Subsection (e) to read as follows:

(d) The standards adopted under Subsection (c) must:

(1) be reviewed and updated at least once every five years; and

(2) include a collection development policy that:

(A) prohibits the possession, acquisition, and purchase of:

(i) harmful material~~[-as defined by Section 43.24, Penal Code];~~

(ii) library material rated sexually explicit material by the selling library material vendor; ~~[or]~~

(iii) library material that is pervasively vulgar or educationally unsuitable as referenced in Board of Education v. Pico ~~[v. Board of Education]~~, 457 U.S. 853 (1982);

(iv) library material containing indecent content or profane content;

(v) library material that refers a person to an Internet website containing content prohibited under this subsection, including by use of a link or QR code, as defined by Section 443.001, Health and Safety Code; or

(vi) sexually explicit material;

(B) recognizes that obscene content is not protected by the First Amendment to the United States Constitution;

(C) is required for all library materials available for use or display, including material contained in school libraries, classroom libraries, ~~[and]~~ online catalogs, library mobile applications, and any other library catalog a student may access;

(D) recognizes that parents are the primary decision makers regarding a student's access to library material;

(E) encourages schools to provide library catalog transparency;

(F) recommends schools communicate effectively with parents regarding collection development; ~~[and]~~

(G) prohibits the removal of material based solely on the:

(i) ideas contained in the material; or

(ii) personal background of:

(a) the author of the material; or

(b) characters in the material; and

(H) demonstrates a commitment to compliance with the Children's Internet Protection Act (Pub. L. No. 106-554), including through the use of technology protection measures, as defined by that Act.

(e) A school district may adopt local policies and procedures in addition to the standards adopted under Subsection (c) that do not conflict with the standards adopted under that subsection or other requirements of this code.

SECTION 4. Subchapter B, Chapter 33, Education Code, is amended by adding Sections 33.023, 33.024, 33.025, 33.026, and 33.027 to read as follows:

Sec. 33.023. PARENTAL ACCESS TO LIBRARY CATALOG AND ACCESS BY THE PARENT'S CHILD TO CERTAIN LIBRARY MATERIALS. (a) A school district or open-enrollment charter school shall adopt procedures that provide for a parent of a child enrolled in the district or school to:

(1) access the catalog of available library materials at each school library in the district or school; and

(2) submit to the district or school a list of library materials that the parent's child may not be allowed to check out or otherwise access for use outside of the school library.

(b) The procedures adopted under Subsection (a)(2) must allow for a parent to submit a list of library materials through:

(1) an electronic or physical form; or

(2) the district's or school's online library catalog system.

(c) A school district or open-enrollment charter school may not allow a student to check out or otherwise use outside the school library a library material the student's parent has included in a list submitted under Subsection (a)(2).

Sec. 33.024. PARENTAL ACCESS TO STUDENT LIBRARY RECORDS. Each school district and open-enrollment charter school that uses a learning management system or an online learning portal shall, through the system or portal, provide to each parent of a child enrolled in the district or school a record of each time the parent's child checks out or otherwise uses outside the school library a library material. The record must include, as applicable, the title, author, genre, and return date of the library material.

Sec. 33.025. LOCAL SCHOOL LIBRARY ADVISORY COUNCIL. (a) Subject to Subsection (b), the board of trustees of each school district may establish a local school library advisory council to assist the district in ensuring that local community values are reflected in each school library catalog in the district.

(b) The board of trustees of a school district shall establish a local school library advisory council if the parents of at least 20 percent of the students enrolled in the district present to the board a petition to establish a local school library advisory council. A council established under this subsection may not be abolished until the third anniversary of the date on which the council was established.

(c) Except as provided by Section 33.026(f), a school district that establishes a local school library advisory council must consider the recommendations of the local school library advisory council before:

(1) adding library materials to a school library catalog;

(2) removing library materials from a school library catalog following a challenge under Section 33.027; or

(3) making changes to policies or guidelines related to a school library catalog.

(d) The local school library advisory council's duties include recommending:

(1) policies and procedures for the acquisition of library materials consistent with local community values;

(2) to the board of trustees whether library materials proposed for acquisition under Section 33.026 are appropriate for each grade level of the school or campus for which the library materials are proposed to be acquired;



(3) if feasible, joint use agreements or strategies for collaboration between the school district and local public libraries and community organizations;

(4) the removal of any library materials that the council determines to be:

(A) harmful material or material containing indecent content or profane content; or

(B) inconsistent with local community values;

(5) the policies and procedures for processing challenges received under Section 33.027; and

(6) the action to be taken by the district in response to a challenge received under Section 33.027.

(e) Any recommendation made by the local school library advisory council must adhere to the library standards approved under Section 33.021.

(f) The local school library advisory council must consist of at least five members, with each member appointed by the board of trustees, and with each trustee appointing an equal number of members. A majority of the voting members of the council must be persons who are parents of students enrolled in the district and who are not employed by the district. One of those members shall serve as chair of the council. The board of trustees may also appoint one or more persons to serve as nonvoting members of the council from any of the following groups:

(1) classroom teachers employed by the district;

(2) librarians employed by the district;

(3) school counselors certified under Subchapter B, Chapter 21, employed by the district;

(4) school administrators employed by the district;

(5) the business community; and

(6) the clergy.

(g) The local school library advisory council shall meet at least two times each year and at other times as necessary to fulfill the council's duties under this chapter. For each meeting, the council shall:

(1) at least 72 hours before the meeting:

(A) post notice of the date, hour, place, and subject of the meeting on a bulletin board in the central administrative office of each campus in the school district; and

(B) ensure that the notice required under Paragraph (A) is posted on the district's Internet website, if the district has an Internet website;

(2) prepare and maintain minutes of the meeting that state the subject and content of each deliberation and each vote, order, decision, or other action taken by the council during the meeting;

(3) make an audio or video recording of the meeting; and

(4) not later than the 10th day after the date of the meeting, submit the minutes and audio or video recording of the meeting to the district.

(h) As soon as practicable after receipt of the minutes and audio or video recording under Subsection (g)(4), the school district shall post the minutes and audio or video recording on the district's Internet website, if the district has an Internet website.

Sec. 33.026. ACQUISITION OF LIBRARY MATERIALS. (a) The board of trustees of a school district shall adopt a policy for the acquisition of library materials, including procedures for the procurement of library materials and the receipt of donated library materials. The policy must require the board to:

(1) approve all library materials that have been donated to or that are to be procured by a school library in the district, with the advice and recommendations of the district's local school library advisory council if the district established a council under Section 33.025;

(2) make the list of library materials that have been donated to or that are proposed to be procured by a school library accessible for review by the public for at least 30 days before final approval;

(3) approve or reject the list of library materials that have been donated to or that are proposed to be procured by a school library in an open meeting; and

(4) ensure compliance with the library standards approved under Section 33.021.

(b) Each member of the board of trustees of a school district is entitled to:

(1) review each list of library materials that have been donated to or that are proposed to be procured by a school library in the district; and

(2) propose changes to each list described by Subdivision (1) before the board votes to approve or reject the list.

(c) For purposes of Subsection (a)(3), the board of trustees shall approve or reject a list of library materials that have been donated to or that are proposed to be procured by a school library at the first open meeting of the board held on or after the 30th day after the date the list is made accessible for review by the public as required by Subsection (a)(2).

(d) If a school district established a local school library advisory council, the council shall meet to determine the council's recommendations regarding library materials that have been donated to or that are proposed to be procured by a school library before the date of the open meeting of the board of trustees described by Subsection (a)(3). The local school library advisory council meeting may occur during the period the list is available for review by the public as required by Subsection (a)(2).

(e) A school district may not add a donated library material to the school library catalog or otherwise make the donated library material available for student use unless the board of trustees of the district approves the addition of that donated library material to the school library catalog for the grade levels for which the material is intended.

(f) This section does not apply to library materials that have been donated to or that are to be procured by a school library that:

(1) replace a damaged copy of a library material with the same International Standard Book Number that is currently in the school library catalog;

(2) are additional copies of a library material with the same International Standard Book Number that is currently in the school library catalog; or

(3) have the same International Standard Book Number and have been approved for the same grade levels by the board of trustees of the school district from a previous proposed list of library materials.

(g) The agency shall adopt and make available a model policy for the acquisition of library materials that a school district may adopt to comply with the requirements of this section.

Sec. 33.027. CHALLENGE OR APPEAL REGARDING LIBRARY MATERIALS; LOCAL SCHOOL LIBRARY ADVISORY COUNCIL RECOMMENDATIONS. (a) A parent of or person standing in parental relation to a student enrolled in a school district, a person employed by the district, or a person residing in the district may submit:

(1) to the district a written challenge to any library material in the catalog of a school library in the district using the form adopted under Subsection (d); or

(2) to the district's board of trustees an appeal of an action taken by the district in response to a written challenge received under Subdivision (1).

(b) Not later than the fifth day after the date on which a school district receives a written challenge under Subsection (a)(1), the district shall provide a copy of the challenge to the district's local school library advisory council if the district established a council under Section 33.025. The council shall make a recommendation for action by the district not later than the 90th day after the date on which the council receives the copy.

(c) The board of trustees shall take action on:

(1) a written challenge submitted under Subsection (a)(1) at the first open meeting of the board held after:

(A) the 90th day after the date on which the school district receives a written challenge under Subsection (a)(1); or

(B) if applicable, the local school library advisory council has made a recommendation under Subsection (b) regarding the challenge; or

(2) an appeal under Subsection (a)(2) at the first open meeting of the board held after the date the appeal is filed.

(d) The agency shall adopt and post on the agency's Internet website a form to be used in making a written challenge under Subsection (a)(1). Each school district shall post the form on the district's Internet website, if the district has an Internet website. The form shall require the person submitting the form to identify how the challenged library material violates the library standards approved under Section 33.021.

(e) In taking action on a written challenge submitted under Subsection (a)(1) or an appeal under Subsection (a)(2), the board of trustees of a school district shall consider:

(1) if applicable, the advice of the district's local school library advisory council; and

(2) whether the library material challenged under Subsection (a)(1) or appealed under Subsection (a)(2) is suitable for the subject and grade level for which the library material is intended, including by considering:

(A) whether the library material adheres to the library standards approved under Section 33.021; and

(B) reviews, if any, of the library material conducted by academic experts specializing in the subject covered by the library material or in the education of students in the subject and grade level for which the library material is intended.

(f) A school district that receives a challenge to a library material under Subsection (a)(1) shall prohibit students enrolled in the district from accessing the library material until the district takes action in response to the challenge.

(g) If a challenge to a library material submitted under Subsection (a)(1) results in the board of trustees, with the recommendation of the local school library advisory council, if applicable, removing the library material from a school library catalog, the board shall notify each teacher assigned as the classroom teacher at the grade level for which the library material was determined to be not appropriate and instruct the teacher to remove any copy of the library material from the teacher's classroom library, if applicable.

(h) If a challenge to a library material submitted under Subsection (a)(1) results in the board of trustees, with the recommendation of the local school library advisory council, if applicable, not removing the library material from a school library catalog, the board is not required to take any action in response to a written challenge of the library material submitted before the second anniversary of the date of the determination to not remove the library material.

SECTION 5. It is the intent of the legislature that every provision, section, subsection, sentence, clause, phrase, or word in this Act, and every application of the provisions in this Act to every person, group of persons, or circumstances, is severable from each other. If any application of any provision in this Act to any person, group of persons, or circumstances is found by a court to be invalid for any reason, the remaining applications of that provision to all other persons and circumstances shall be severed and may not be affected.

SECTION 6. As soon as practicable after the effective date of this Act, the Texas Education Agency shall adopt and make available a model policy for the acquisition of library materials as required by Section 33.026(g), Education Code, as added by this Act.

SECTION 7. Before the first day of the 2025-2026 school year, the board of trustees of each school district shall adopt a policy for the acquisition of library materials as required by Section 33.026, Education Code, as added by this Act.

SECTION 8. Not later than April 1, 2026, the Texas State Library and Archives Commission shall adopt the standards for school library collection development as required under Section 33.021, Education Code, as amended by this Act.

SECTION 9. This Act applies beginning with the 2025-2026 school year.

SECTION 10. To the extent of any conflict, this Act prevails over another Act of the 89th Legislature, Regular Session, 2025, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 11. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

### **Floor Amendment No. 1**

Amend **CSSB 13** (house committee report) as follows:

(1) On page 2, line 3, strike "Section 33.020" and substitute "Sections 33.020 and 33.0205".

(2) On page 2, between lines 16 and 17, insert the following:

Sec. 33.0205. CONSTRUCTION OF SUBCHAPTER. Nothing in this subchapter may be construed as limiting the acquisition of materials necessary for the teaching of instruction in or demonstration of knowledge of the essential knowledge and skills adopted under Section 28.002."

(3) On page 6, strike lines 24 through 27, and substitute the following:  
council determines to be harmful material or material containing indecent content or profane content inconsistent with local community values or age appropriateness;

(4) On page 9, strike lines 5 through 8, and substitute the following:

(2) make the list of library materials that are new titles that have been donated to or that are proposed to be procured by a school library accessible for review by the public for at least 30 days before final approval;

(5) On page 10, between lines 17 and 18, insert the following appropriately numbered subdivision and renumber subsequent subdivisions accordingly:

( ) are new titles in a series that is currently in the school library catalog;

(6) On page 13, lines 2 through 4, strike "prohibit students enrolled in the district from accessing the library material until the district takes action in response to the challenge" and substitute "notify a parent of a student enrolled in the district regarding the challenge to the library material".

#### **Floor Amendment No. 5**

Amend **CSSB 13** (house committee report) on page 5, between lines 7 and 8, by inserting the following:

(d) Notwithstanding Section 31.0211(c), a school district or open-enrollment charter school may use funds from the district's or school's instructional materials and technology allotment under Section 31.0211 for costs associated with complying with this section.

The amendments were read.

Senator Paxton submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 13** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Paxton, Chair; Bettencourt, Creighton, Parker, and Blanco.

#### **SENATE BILL 30 WITH HOUSE AMENDMENTS (Motion In Writing)**

Senator Schwertner called **SB 30** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Amendment**

Amend **SB 30** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED  
AN ACT

relating to recovery of health care-related damages in certain civil actions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 41.001, Civil Practice and Remedies Code, is amended by adding Subdivisions (6-a), (6-b), (6-c), (6-d), (14), (15), and (16) to read as follows:

(6-a) "Health care expenses" means amounts paid or owed or that may be paid or owed to a provider for health care services, supplies, or devices provided to a patient.

(6-b) "Health care services" means services provided by a provider to an individual to diagnose, prevent, alleviate, cure, treat, or heal the individual's condition, illness, or injury, including:

(A) rehabilitative services provided to the individual; or

(B) personal care provided to the individual on a short-term or long-term basis.

(6-c) "Injured individual" means the individual whose injury or death is the subject of a civil action to which Section 14.015 applies.

(6-d) "Letter of protection" means an agreement, regardless of the name, that includes an express or implied promise of payment to a health care provider from a judgment or settlement of an injured individual's civil action or that makes a payment to the provider contingent on the resolution of the action.

(14) "Physician" means:

(A) an individual licensed to practice medicine; and

(B) a professional association, partnership, limited liability partnership, or other type of entity formed or organized by an individual physician or group of physicians to provide medical care to patients.

(15) "Provider" means a person, including an individual, partnership, professional association, corporation, facility, or institution, who is licensed, certified, registered, chartered, or otherwise authorized, in this state or elsewhere, to provide health care services, including:

(A) an acupuncturist;

(B) a chiropractor;

(C) a dentist;

(D) a health care institution of a type described by Section

74.001(a)(11);

(E) a health care collaborative;

(F) a nonprofit health organization;

(G) a nurse, including a licensed vocational nurse, nurse practitioner, and registered nurse;

(H) an occupational therapist;

(I) an ophthalmologist;

(J) an optometrist;

(K) a pharmacist;

(L) a physical therapist;

- (M) a physician;
- (N) a physician's assistant;
- (O) a licensed professional counselor;
- (P) a psychologist;
- (Q) a podiatrist; and
- (R) a speech therapist.

(16) "Third-party payor" means an entity, plan, or program that has a legal or contractual obligation to pay, reimburse, or otherwise contract with a provider to pay the provider for the provision of a health care service, supply, or device to a patient, including:

- (A) an insurance company providing health or dental insurance;
- (B) an employer-provided plan or any other sponsor or administrator of a health or dental plan;
- (C) a health maintenance organization operating under Chapter 843, Insurance Code, an insurer providing a preferred provider benefit plan under Chapter 1301, Insurance Code, or other similar entity;
- (D) Medicare;
- (E) the state Medicaid program, including the Medicaid managed care program operating under Chapter 540, Government Code; and
- (F) workers' compensation insurance or insurance provided instead of subscribing to workers' compensation insurance.

SECTION 2. Chapter 41, Civil Practice and Remedies Code, is amended by adding Sections 41.015, 41.016, and 41.017 to read as follows:

Sec. 41.015. ADMISSIBLE EVIDENCE OF HEALTH CARE EXPENSES. (a) This section applies to any civil action in which the claimant seeks recovery of health care expenses as economic damages in a personal injury or wrongful death action.

(b) If there is a conflict between this section and Section 41.0105, this section controls.

(c) If a third-party payor paid for a health care service, supply, or device provided to an injured individual, the evidence that may be offered to prove the amount of the economic damages that may be awarded to the claimant for that service, supply, or device is limited to evidence of the amount the third-party payor paid plus amounts paid by an insured for coinsurance, deductibles, or copayments related to the service, supply, or device.

(d) If Subsection (c) does not apply, the evidence that may be offered regarding the reasonable value of the necessary health care services, supplies, or devices provided to the injured individual or that in reasonable probability will need to be provided to the injured individual in the future includes:

(1) evidence of amounts paid by non-third-party payors to providers for each health care service, supply, or device, but not to purchase an account receivable or as a loan, if paid without a formal or informal agreement for the provider to refund, rebate, or remit money to the payor, injured individual, claimant, or claimant's attorney or anyone associated with the payor, injured individual, claimant, or claimant's attorney; and

(2) any of the following:

(A) the Medicare allowable amount applicable at the time and place the service, supply, or device was provided;

(B) the maximum allowable reimbursement amount under the medical fee guidelines prescribed by Subtitle A, Title 5, Labor Code, applicable at the time and place the service, supply, or device was provided;

(C) the 50th percentile of amounts allowed to participating providers in the geozip and during the calendar quarter in which the service, supply, or device was provided;

(D) if, within the time a claimant's affidavit under Section 18.001(d) must be served, the claimant serves a notice of intent to rely on the following:

(i) the average amounts collected by the provider during the one-year period preceding the date the service, supply, or device was provided; or

(ii) the provider's range of contracted rates with commercial insurers regulated by the Texas Department of Insurance in effect on the date the service, supply, or device was provided; and

(E) the provider's billed charges for the service, supply, or device provided to the injured individual.

(e) A party may not compel a provider by a pretrial discovery request or by subpoena to provide evidence that may be admissible under Subsection (d)(2)(D) unless the claimant serves a notice of intent under that subsection.

(f) Except as provided by rules adopted by the supreme court, for each service, supply, or device provided to the injured individual, a health care provider's statements or invoices submitted into evidence must provide:

(1) an industry-recognized billing code;

(2) a description of the service, supply, or device; and

(3) the date each service, supply, or device was provided to the injured individual.

Sec. 41.016. CLAIMANT DISCLOSURE REQUIREMENTS IN ACTION FOR HEALTH CARE EXPENSES; CERTAIN MATTERS ADMISSIBLE. (a) In addition to other items that may be required to be provided by rule, court decision, or other law, in an action to which Section 41.015 applies, a claimant shall disclose or provide to each other party:

(1) any letter of protection related to the action;

(2) any oral or written agreement under which a provider may refund, rebate, or remit money to a payor, injured individual, claimant, claimant's attorney, or person associated with the payor, injured individual, claimant, or claimant's attorney;

(3) the identity of any provider who provided health care services to the injured individual in relation to the injury-causing event and provide an authorization to all other parties to the case that will allow those parties to obtain from the provider all of the injured individual's medical records relating to that event; and

(4) if the injured individual was referred to a provider for services and the provider's medical records, billing statements, or testimony will be presented to the trier of fact in the action:

(A) the name, address, and telephone number of the person who made the referral, regardless of whether that person is the injured individual's attorney; and



(B) if the person making the referral was not the injured individual's attorney, the relationship between the person making the referral and the injured individual or the injured individual's attorney.

(b) On request by a party to an action to which Section 41.015 applies, a provider who provided a health care service, supply, or device to an injured individual in relation to the injury-causing event that is the subject of the action shall provide the following information to all parties to the action:

(1) an anonymized list of persons an attorney to the action referred to the provider in the preceding two years;

(2) the date and amount of each payment made to the provider in the preceding two years by, through, or at the direction of the attorney;

(3) if applicable, each person anonymously described under Subdivision (1) on whose behalf a payment described by Subdivision (2) was made; and

(4) other aspects of any financial relationship between the referring attorney and the provider.

(c) For purposes of Subsection (b), a referral is considered to have been made by the injured individual's attorney even if made by another person when the injured individual's attorney knew or had reason to know that the referral would be made.

(d) In an action to which Section 41.015 applies, the following matters shall be admitted into evidence if offered by any party:

(1) the injured individual's medical records relating to the injury-causing event;

(2) if a provider's medical records, billing statements, or testimony will be presented to the trier of fact in the action, any letter of protection relating to that provider;

(3) if the injured individual was referred to a health care provider for services by the injured individual's attorney and that provider's medical records, billing statements, or testimony will be presented to the trier of fact in the action, the information disclosed under Subsection (b); and

(4) treatment guidelines and drug formularies approved by the Workers' Compensation Division of the Texas Department of Insurance as evidence relating to the necessity of health care services provided to the injured individual.

Sec. 41.017. RULES OF EVIDENCE IN ACTION FOR HEALTH CARE EXPENSES. Except as otherwise provided by Sections 41.015 and 41.016, the Texas Rules of Evidence govern an action to which Section 41.015 applies.

SECTION 3. The changes in law made by this Act apply to an action:

(1) commenced on or after the effective date of this Act; or

(2) pending on the effective date of this Act and in which a trial, or a new trial or retrial following a motion, appeal, or otherwise, begins on or after January 1, 2026.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

### **Floor Amendment No. 1**

Amend **CSSB 30** (house committee printing) as follows:

- (1) On page 1, line 9, between "for" and "health", insert "past".
- (2) On page 1, line 21, strike "14.015" and substitute "41.015".
- (3) On page 2, line 5, strike "and" and substitute "or".
- (4) On page 4, line 4, strike "ADMISSIBLE".
- (5) On page 4, line 6, between "of" and "health", insert "past".
- (6) On page 4, line 12, strike "economic".
- (7) On page 4, line 13, between "that" and "service", insert "health care".
- (8) On page 4, line 15, strike "by" and substitute "or owed by or on behalf of".
- (9) On page 4, strike lines 17-21 and substitute the following:

(d) If Subsection (c) does not apply, any party may offer and the court shall admit the following evidence regarding the reasonable value of the necessary health care services, supplies, or devices provided to the injured individual:

- (10) On page 4, line 25, strike "a formal or informal" and substitute "an".
- (11) On page 5, strike lines 12-14 and substitute the following:

(D) the following information, provided the claimant served a notice of intent to rely on the information within the time a claimant's affidavit under Section 18.001(d) must be served:

- (12) On page 6, strike line 5 and substitute the following:

(1) a Current Procedural Terminology, Healthcare Common Procedure Coding System, or Evaluation and Management code if the service, supply, or device has such a code;

- (13) On page 6, between lines 9 and 10, insert the following:

(g) A party may offer and the court shall admit evidence allowed by Subsection (d)(2) through:

- (1) an expert witness; or

(2) cross-examination of an adverse witness if the offering party gave the other parties to the action notice, including a disclosure of the evidence, not later than the 45th day before the date the trial commences that the evidence allowed under Subsection (d)(2) may be offered at trial.

(14) On page 6, line 10, strike "CLAIMANT DISCLOSURE" and substitute "DISCLOSURE AND DISCOVERY".

- (15) On page 6, line 16, strike "oral or written".

(16) On page 6, line 20, immediately after the underlined semicolon, insert "and".

(17) Strike page 6, line 26, through page 7, line 10, and substitute "to that event."

(18) On page 7, between lines 10 and 11, insert the following appropriately lettered subsection and reletter subsequent subsections and cross-references to those subsections accordingly:

(\_\_\_\_) On request by a party to an action to which Section 41.015 applies, a claimant shall state the name, address, and telephone number of each person who provided to the claimant or injured individual the name or other contact information of a health care provider that provided a health care service to the injured individual, even if the person is or was an attorney for the claimant or injured individual.

- (19) Strike page 7, line 16, through page 8, line 2, and substitute the following:

(1) the number of persons an attorney to the action referred to the provider in the preceding two years; and

(2) the total amount paid to the provider in the preceding two years by or on behalf of persons referred to the provider by an attorney to the action.

(20) On page 8, strike lines 6-7 and substitute the following:

(1) medical records showing health care services, health care supplies, health care devices, or pharmaceutical products provided to the injured individual to diagnose, alleviate, cure, treat, or heal the injury caused to that individual by the event that is the subject of the action;

(21) On page 8, line 10, immediately after the underlined semicolon, insert "and".

(22) On page 8, line 15, strike "; and" and substitute an underlined period.

(23) On page 8, strike lines 16-19.

(24) Strike page 8, line 24, through page 9, line 3, and substitute the following:

SECTION 3. The changes in law made by this Act apply only to an action commenced on or after the effective date of this Act.

## **Floor Amendment No. 2**

Amend Amendment No. 1 by Bonnen to **CSSB 30** on page 3, line 10, between "(1)" and "medical", by inserting "subject to redaction of matters contained therein for lack of relevance under Rule 402, Texas Rules of Evidence,".

## **Floor Amendment No. 3**

Amend Amendment No. 1 by Bonnen to **CSSB 30** as follows:

(1) On page 1, line 17, between "apply" and the underlined comma, insert "and subject to Rules 402 and 403, Texas Rules of Evidence".

(2) On page 2, line 6, between "offer" and "and", insert ", subject to Rules 402 and 403, Texas Rules of Evidence,".

## **Floor Amendment No. 6**

Amend **CSSB 30** (house committee printing) on page 1, line 24, between "from" and "a", by inserting "or following".

## **Floor Amendment No. 7**

Amend **CSSB 30** (house committee printing) as follows:

(1) On page 2, line 3, strike "means" and substitute "has the meaning assigned by Section 74.001 and also includes".

(2) On page 2, line 4, between "medicine" and the underlined semicolon, insert "in another state".

(3) On page 2, strike lines 6-9 and substitute the following:

(B) a professional association, partnership, limited liability partnership, or other type of entity formed, organized, or owned by an individual or group of individuals licensed to practice medicine in another state.

(4) On page 2, strike line 21 and redesignate subsequent paragraphs of added Section 41.001(15), Civil Practice and Remedies Code, and cross-references to those paragraphs accordingly.

**Floor Amendment No. 8**

Amend **CSSB 30** (house committee printing) as follows:

(1) On page 7, line 14, between "action" and "shall", insert "and whose medical records, billing statements, or testimony will be presented to the trier of fact in the action".

(2) On page 8, line 10, between "provider" and the underlined semicolon, insert "and the injured individual".

**Floor Amendment No. 9**

Amend **CSSB 30** (house committee printing) as follows:

(1) On page 4, line 2, strike "and 41.017" and substitute "41.017, and 41.018".

(2) On page 8, between lines 23 and 24, insert the following:

Sec. 41.018. PRESERVATION OF PRIVILEGES AND PROTECTED INFORMATION. (a) Nothing in Section 41.015 or 41.016 may be construed to:

(1) abrogate or otherwise impair any privilege recognized under the Texas Rules of Evidence or other applicable law, including the attorney-client privilege, the work-product doctrine, or any other legal privilege protecting communications or materials prepared in anticipation of litigation;

(2) authorize or require the disclosure of any communication protected by the physician-patient privilege under Section 773.091, Health and Safety Code, or other applicable law; or

(3) authorize or require the disclosure of any individually identifiable health information in a manner that would violate the Health Insurance Portability and Accountability Act of 1996 (Pub. L. No. 104-191), including the regulations adopted under that Act in 45 C.F.R. Parts 160 and 164.

(b) Any disclosure or discovery authorized by this chapter must comply with all applicable federal and state laws governing medical privacy and confidentiality, including the Health Insurance Portability and Accountability Act of 1996 (Pub. L. No. 104-191) and Chapter 181, Health and Safety Code.

The amendments were read.

Senator Schwertner submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 30** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Schwertner, Chair; Hughes, Hagenbuch, Huffman, and Middleton.

**SENATE BILL 15 WITH HOUSE AMENDMENTS**  
**(Motion In Writing)**

Senator Bettencourt called **SB 15** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Amendment**

Amend **SB 15** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED  
AN ACT

relating to size and density requirements for residential lots in certain municipalities; authorizing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 211, Local Government Code, is amended by adding Subchapter D to read as follows:

SUBCHAPTER D. RESIDENTIAL ZONING LIMITATIONS IN CERTAIN  
MUNICIPALITIES

Sec. 211.051. DEFINITIONS. In this subchapter:

(1) "Housing organization" means a:

(A) trade or industry group organized under the laws of this state consisting of local members primarily engaged in the construction or management of housing units;

(B) nonprofit organization organized under the laws of this state that:

(i) provides or advocates for increased access or reduced barriers to housing; and

(ii) has filed written or oral comments with the legislature; or

(C) nonprofit organization organized under the laws of this state that is engaged in public policy research, education, and outreach that includes housing policy-related issues and advocacy.

(2) "Small lot" means a residential lot that is 4,000 square feet or less.

Sec. 211.052. APPLICABILITY. (a) This subchapter applies only to:

(1) a municipality that:

(A) has a population of more than 150,000; and

(B) is wholly or partly located in a county with a population of more than 300,000; and

(2) a tract of land located in a municipality described by Subdivision (1) that:

(A) will be platted and located in an area zoned for single-family homes;

(B) is five acres or more; and

(C) has no recorded map or plat.

(b) This subchapter does not apply to an area located within:

(1) one mile of a campus of the perimeter of a law enforcement training center in a county that has a population of 2,600,000 or more;

(2) 3,000 feet of an airport or military base; or

(3) 15,000 feet of the boundary of a military base if the area is designated by a municipality or joint airport zoning board, as applicable, as a military airport overlay zone with a clear zone and accident potential zone designation, as described by the military base's air installation compatible use zone report.

Sec. 211.053. CONSTRUCTION OF SUBCHAPTER. This subchapter may not be construed to affect requirements directly related to:

(1) the use and occupancy of residential units leased for a term of less than 30 days; or

(2) flooding, sewer facilities, or well water located on an individual residential lot and serving only that lot.

Sec. 211.054. CERTAIN DWELLING UNIT LOT SIZE REQUIREMENTS PROHIBITED. A municipality may not adopt or enforce an ordinance, rule, or other measure that requires:

(1) a residential lot to be:

(A) larger than 1,400 square feet;

(B) wider than 20 feet; or

(C) deeper than 60 feet; or

(2) if regulating the density of dwelling units on a residential lot, a ratio of dwelling units per acre that results in fewer than 31.1 units per acre.

Sec. 211.055. SMALL LOTS. (a) Except as provided by Subsection (c), a municipality may not adopt or enforce an ordinance, rule, or other measure that requires a small lot to have:

(1) a building, waterway, plane, or other setback greater than:

(A) five feet from the front or back of the property; or

(B) five feet from the side of the property;

(2) covered parking;

(3) more than one parking space per unit;

(4) off-site parking;

(5) more than 30 percent open space or permeable surface;

(6) fewer than three full stories not exceeding 10 feet in height measured from the interior floor to ceiling;

(7) a maximum building bulk;

(8) a wall articulation requirement; or

(9) any other zoning restriction that imposes restrictions inconsistent with this subsection, including restrictions through contiguous zoning districts or uses or from the creation of an overlapping zoning district.

(b) A municipality may require with respect to a small lot:

(1) the sharing of a driveway with another lot; or

(2) permitting fees equivalent to the permitting fees charged for the development of a lot the use of which is restricted to a single-family residence.

(c) Notwithstanding Subsection (a)(5), a municipality may adopt or enforce an ordinance, rule, or other measure with respect to a small lot that:

(1) applies to land located in an aquifer recharge zone; and

(2) relates to the protection of an aquifer.

Sec. 211.056. NO EFFECT ON OTHER ZONING AUTHORITY. This subchapter does not prohibit a municipality from imposing restrictions that are applicable to all similarly situated lots or subdivisions, including requiring all subdivisions or all small lots to fully mitigate stormwater runoff.

Sec. 211.057. NO EFFECT ON HOMEOWNERS' ASSOCIATIONS AND OTHER PRIVATE AGREEMENTS. This subchapter does not prohibit property owners from enforcing rules or deed restrictions imposed by a homeowners' association or by other private agreement.

Sec. 211.058. ACTION. (a) A person adversely affected or aggrieved by a municipality's violation of this subchapter or a housing organization may bring an action against the municipality or an officer or employee of the municipality in the officer's or employee's official capacity for relief described by Subsection (c).

(b) A claimant must bring an action under this section in a county in which the real property that is the subject of the action is wholly or partly located.

(c) In an action brought under this section, a court may:

(1) enter a declaratory judgment under Chapter 37, Civil Practice and Remedies Code;

(2) issue a writ of mandamus compelling a defendant officer or employee to comply with this subchapter; and

(3) issue an injunction preventing the defendant from violating this subchapter.

(d) A court shall award reasonable attorney's fees and court costs incurred in bringing an action under this section to a prevailing claimant.

(e) A claimant in an action brought under this section may elect in the claimant's petition to designate the Fifteenth Court of Appeals as the exclusive intermediate appellate court over an appeal or original proceeding arising from the action.

SECTION 2. This Act takes effect September 1, 2025.

### **Floor Amendment No. 1**

Amend **CSSB 15** (house committee report) as follows:

(1) On page 2, line 13, strike "map or".

(2) On page 3, line 8, strike "1,400" and substitute "3,000".

(3) On page 3, line 9, strike "20" and substitute "30".

(4) On page 3, line 10, strike "60" and substitute "75".

(5) On page 3, lines 11-13, strike "on a residential lot, a ratio of dwelling units per acre that results in fewer than 31.1 units per acre." and substitute "in a residential development, a ratio of dwelling units per acre that prevents a single-family home from being built on a residential lot that is at least 3,000 square feet."

(6) On page 3, line 15, strike "Subsection (c)" and substitute "this section".

(7) On page 3, line 17, strike ", waterway, plane," and substitute "plane".

(8) On page 3, strike line 19, and substitute "(A) 15 feet from the front or 10 feet from the back of the".

(9) On page 4, between lines 7 and 8, insert the following:

(a-1) Notwithstanding Subsection (a)(1), a municipality may require with respect to a small lot a setback related to environmental features, erosion, or waterways, to the extent authorized by federal or other state law.

(10) On page 4, line 9, strike "or".

(11) On page 4, line 12, between "residence" and the underlined period, insert the following:  
; or

(3) impact fees, to the extent authorized by Chapter 395

(12) On page 4, line 19, strike "This" and substitute "Except as expressly provided by this subchapter, this".

### **Floor Amendment No. 2**

Amend **CSSB 15** (house committee report) as follows:

(1) On page 2, line 11, between "for single-family homes" and the underlined semicolon, insert "under Section 211.0555".

(2) On page 4, between lines 18 and 19, insert the following:

Sec. 211.0555. PROHIBITIONS LIMITED TO NEW ZONING CLASSIFICATION. (a) A municipality shall adopt a new zoning classification for single-family homes for purposes of this subchapter.

(b) The prohibitions imposed on a municipality with respect to lot sizes, the density of dwelling units, and small lots under this subchapter apply only to the zoning classification adopted under Subsection (a).

The amendments were read.

Senator Bettencourt submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 15** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Bettencourt, Chair; Middleton, Paxton, West, and Creighton.

### **SENATE BILL 268 WITH HOUSE AMENDMENTS (Motion In Writing)**

Senator Perry called **SB 268** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

### **Floor Amendment No. 1**

Amend **SB 268** (house committee printing) on page 1 by striking lines 14 through 21, and substituting the following:

(b) A licensing entity may not take disciplinary action based on a complaint against a health care practitioner who holds a license issued by a different licensing entity unless:

(1) the licensing entity that issued the license refers the complaint back to the licensing entity that received the complaint for investigation and resolution;



(2) the disciplinary action is taken under Subtitle B for practicing medicine in this state without a license; or

(3) the practitioner holds a license issued by the licensing entity that received the complaint and the licensing entity that received the complaint has enforcement authority over the conduct alleged in the complaint.

### **Floor Amendment No. 1 on Third Reading**

Amend **SB 268** (house committee printing) on third reading on page 1, between lines 21 and 22, by inserting the following:

Sec. 112.102. COMPLAINTS AGAINST HEALTH CARE PRACTITIONER ALLEGING CERTAIN OFFENSES. (a) Notwithstanding any other law, a licensing entity that receives a complaint concerning a health care practitioner that credibly accuses the practitioner of conduct constituting an offense that resulted in death or serious bodily injury, as those terms are defined by Section 1.07, Penal Code, to a person shall promptly forward a copy of the complaint to an appropriate law enforcement agency.

(b) This section does not preclude a licensing entity from investigating a complaint or taking disciplinary action against a health care practitioner described by Subsection (a) and licensed by that entity.

The amendments were read.

Senator Perry submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 268** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Perry, Chair; Kolkhorst, Hall, Sparks, and Cook.

### **SENATE BILL 331 WITH HOUSE AMENDMENTS (Motion In Writing)**

Senator Kolkhorst called **SB 331** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

### **Amendment**

Amend **SB 331** by substituting in lieu thereof the following:

#### **A BILL TO BE ENTITLED AN ACT**

relating to the disclosure of health care cost information by certain health care facilities; imposing an administrative penalty.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:**

SECTION 1. Section 327.001(7), Health and Safety Code, is amended to read as follows:

(7) "Facility" means:

(A) a hospital, including:

(i) a general hospital;

(ii) a special hospital;

(iii) a mental hospital;

(iv) a hospital that operates a crisis stabilization unit;

(v) a limited services rural hospital; or

(vi) a hospital operating under a certificate of public advantage under Chapter 314 or 314A;

(B) an abortion facility;

(C) an ambulatory surgical center;

(D) a birthing center;

(E) a chemical dependency treatment facility;

(F) an end stage renal disease facility;

(G) a freestanding emergency medical care facility;

(H) a narcotic drug treatment program; or

(I) a special care facility [licensed under Chapter 241].

SECTION 2. Chapter 327, Health and Safety Code, is amended by adding Section 327.0015 to read as follows:

Sec. 327.0015. APPLICABILITY. This chapter applies only to a facility with a total gross revenue of \$12 million or more.

SECTION 3. Sections 327.008(a) and (c), Health and Safety Code, are amended to read as follows:

(a) The commission may impose an administrative penalty on a facility ~~in accordance with Chapter 241~~ if the facility fails to:

(1) respond to the commission's request to submit a corrective action plan;

or

(2) comply with the requirements of a corrective action plan submitted to the commission.

(c) For a facility with one of the following total gross revenues ~~[as reported to the Centers for Medicare and Medicaid Services or to another entity designated by commission rule in the year preceding the year in which a penalty is imposed]~~, the penalty imposed by the commission may not exceed:

(1) ~~[\$10 for each day the facility violated this chapter, if the facility's total gross revenue is less than \$10,000,000;~~

~~[(2)]~~ \$100 for each violation of ~~[day the facility violated]~~ this chapter, if the facility's total gross revenue is \$12,000,000 ~~[\$10,000,000]~~ or more and less than \$100,000,000; and

(2) ~~[(3)]~~ \$1,000 for each day the facility violated this chapter, if the facility's total gross revenue is \$100,000,000 or more.

SECTION 4. A health care facility required to disclose billing information as a result of the amendment to Chapter 327, Health and Safety Code, by this Act is not required to disclose information in accordance with that chapter until August 31, 2029.

SECTION 5. Section 327.008, Health and Safety Code, as amended by this Act, applies only to a violation that occurs on or after the effective date of this Act. A violation that occurs before the effective date of this Act is governed by the law as it existed on the date the violation occurred, and that law is continued in effect for that purpose.

SECTION 6. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

### **Floor Amendment No. 1 on Third Reading**

Amend **CSSB 331** on third reading by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 327.009, Health and Safety Code, is amended to read as follows:

Sec. 327.009. LEGISLATIVE RECOMMENDATIONS. The commission may propose to the legislature recommendations for amending or repealing this chapter, including recommendations:

(1) in response to amendments by the Centers for Medicare and Medicaid Services to 45 C.F.R. Part 180; and

(2) on whether to repeal this chapter, if the commission determines any state agency or institution of higher education, as defined by Section 61.003, Education Code, makes the same or substantially similar information described by Sections 327.002, 327.003, and 327.004 available to the public in a manner consistent with this chapter.

The amendments were read.

Senator Kolkhorst submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 331** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Kolkhorst, Chair; Perry, Hancock, Hall, and Blanco.

### **SENATE BILL 447 WITH HOUSE AMENDMENT (Motion In Writing)**

Senator J. Hinojosa called **SB 447** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

### **Floor Amendment No. 1**

Amend **SB 447** (house committee report) as follows:

(1) On page 1, lines 5-6, between "by" and "adding", insert "amending Subsection (a) and".

(2) On page 1, between lines 6 and 7, insert the following:

(a) The governing body of a political subdivision, other than a county or municipal utility district, that holds its general election for officers on a date other than the November uniform election date may, not later than December 31, 2025 [2016], change the date on which it holds its general election for officers to the November uniform election date in odd-numbered years.

The amendment was read.

Senator J. Hinojosa submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 447** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators J. Hinojosa, Chair; Johnson, Hughes, Birdwell, and Perry.

### **SENATE BILL 457 WITH HOUSE AMENDMENTS** **(Motion In Writing)**

Senator Kolkhorst called **SB 457** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

#### **Amendment**

Amend **SB 457** by substituting in lieu thereof the following:

#### **A BILL TO BE ENTITLED** **AN ACT**

relating to the regulation of certain nursing facilities, including licensing requirements and Medicaid participation and reimbursement requirements.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 540.0752(b), Government Code, is amended to read as follows:

(b) Subject to Section 540.0701 and notwithstanding any other law, the commission shall provide Medicaid benefits through the STAR+PLUS Medicaid managed care program to recipients who reside in nursing facilities. In implementing this subsection, the commission shall ensure that:

(1) a nursing facility is paid not later than the 10th day after the date the facility submits a clean claim;

(1-a) a nursing facility complies with the patient care expense ratio adopted under Section 32.0286, Human Resources Code;

(2) services are used appropriately, consistent with criteria the commission establishes;

(3) the incidence of potentially preventable events and unnecessary institutionalizations is reduced;

(4) a Medicaid managed care organization providing services under the program:

(A) provides discharge planning, transitional care, and other education programs to physicians and hospitals regarding all available long-term care settings;

(B) assists in collecting applied income from recipients; and

(C) provides payment incentives to nursing facility providers that:

(i) reward reductions in preventable acute care costs; and

(ii) encourage transformative efforts in the delivery of nursing facility services, including efforts to promote a resident-centered care culture through facility design and services provided;

(5) a portal is established that complies with state and federal regulations, including standard coding requirements, through which nursing facility providers participating in the program may submit claims to any participating Medicaid managed care organization;

(6) rules and procedures relating to certifying and decertifying nursing facility beds under Medicaid are not affected; and

(7) a Medicaid managed care organization providing services under the program, to the greatest extent possible, offers nursing facility providers access to:

(A) acute care professionals; and

(B) telemedicine, when feasible and in accordance with state law, including rules adopted by the Texas Medical Board; and

~~[(8) the commission approves the staff rate enhancement methodology for the staff rate enhancement paid to a nursing facility that qualifies for the enhancement under the program].~~

SECTION 2. Subchapter F, Chapter 540, Government Code, is amended by adding Section 540.0283 to read as follows:

Sec. 540.0283. NURSING FACILITY PROVIDER AGREEMENTS: COMPLIANCE WITH PATIENT CARE EXPENSE RATIO. (a) A contract to which this subchapter applies must require that each provider agreement between the contracting Medicaid managed care organization and a nursing facility include a requirement that the facility comply with the patient care expense ratio adopted under Section 32.0286, Human Resources Code.

(b) This section does not apply to a state-owned facility.

SECTION 3. Section 242.032, Health and Safety Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) The application must:

(1) include the name of each person with a direct or indirect ownership interest of five percent or more in:

(A) the nursing facility, including a subsidiary or parent company of the facility; and

(B) the real property on which the nursing facility is located, including any owner, common owner, tenant, or sublessee; and

(2) describe the exact ownership interest of each of those persons in relation to the facility or property.

SECTION 4. Subchapter B, Chapter 242, Health and Safety Code, is amended by adding Section 242.0333 to read as follows:

Sec. 242.0333. NOTIFICATION OF CHANGE TO OWNERSHIP INTEREST APPLICATION INFORMATION. A license holder shall notify the commission, in the form and manner the commission requires, of any change to the ownership interest application information provided under Section 242.032(b-1).

SECTION 5. Subchapter B, Chapter 32, Human Resources Code, is amended by adding Section 32.0286 to read as follows:

Sec. 32.0286. ANNUAL PATIENT CARE EXPENSE RATIO FOR REIMBURSEMENT OF CERTAIN NURSING FACILITY PROVIDERS. (a) In this section, "patient care expense":

(1) includes an expense incurred by a nursing facility for:

(A) providing compensation and benefits to:

(i) direct care staff of a facility, whether the staff are employees of or contract labor for the facility, including:

(a) licensed registered nurses and licensed vocational nurses, including directors of nursing and assistant directors of nursing;

(b) medication aides;

(c) restorative aides;

(d) nurse aides who provide nursing-related care to residents occupying medical assistance beds;

(e) licensed social workers; and

(f) social services assistants;

(ii) additional staff associated with providing care to facility residents with a severe cognitive impairment;

(iii) nonprofessional administrative staff, including medical records staff and accounting or bookkeeping staff;

(iv) central supply staff and ancillary facility staff;

(v) laundry staff; and

(vi) food service staff;

(B) central supply costs and ancillary costs for facility services and supplies, including:

(i) diagnostic laboratory and radiology costs;

(ii) durable medical equipment costs, including costs to purchase, rent, or lease the equipment;

(iii) costs for oxygen used to provide oxygen treatment;

(iv) prescription and nonprescription drug costs; and

(v) therapy consultant costs; and

(C) costs for dietary and nutrition services, including costs for:

(i) food service and related supplies; and

(ii) nutritionist services; and

(2) does not include an expense for:

(A) administrative or operational costs, other than administrative or operational costs described by Subdivision (1); or

(B) fixed capital asset costs.

(b) The executive commissioner by rule shall establish an annual patient care expense ratio, including a process for determining the ratio, applicable to the reimbursement of nursing facility providers for providing services to recipients under the medical assistance program. In establishing the ratio, the executive commissioner shall require that at least 80 percent of the portion of the medical assistance reimbursement amount paid to a nursing facility that is attributable to patient care expenses is spent on reasonable and necessary patient care expenses.

(c) The executive commissioner shall adopt rules necessary to ensure each nursing facility provider that participates in the medical assistance program complies with the patient care expense ratio adopted under this section.

(d) Except as provided by Subsection (e) and to the extent permitted by federal law, the commission may recoup all or part of the medical assistance reimbursement amount paid to a nursing facility that is subject to the patient care expense ratio under this section if the facility fails to spend the reimbursement amount in accordance with the patient care expense ratio.

(e) The commission may not recoup a medical assistance reimbursement amount under Subsection (d) if, during the period patient care expenses attributable to the reimbursement amount are calculated, the facility:

(1) held at least a four-star rating under the Centers for Medicare and Medicaid Services five-star quality rating system for nursing facilities in three or more of the following categories:

(A) overall;

(B) health inspections;

(C) staffing; and

(D) long-stay quality measures;

(2) held at least a four-star rating under the Centers for Medicare and Medicaid Services five-star quality rating system for nursing facilities in the category of long-stay quality measures and the category of short-stay quality measures;

(3) both:

(A) maintained an average daily occupancy rate of 75 percent or less;  
and

(B) spent at least 70 percent of the portion of the reimbursement amount paid to the facility that was attributable to patient care expenses on reasonable and necessary patient care expenses; or

(4) incurred expenses related to a disaster for which the governor issued a disaster declaration under Chapter 418, Government Code.

(f) The commission shall publish and maintain on the commission's Internet website a list of all nursing facilities from which the commission recouped medical assistance reimbursement amounts under Subsection (d).

(g) The commission may not require a nursing facility to comply with the patient care expense ratio as a condition of participation in the medical assistance program.

(h) This section does not apply to a state-owned facility.

SECTION 6. Sections 32.028(g), (i), and (m), Human Resources Code, are repealed.

SECTION 7. (a) The Health and Human Services Commission shall, subject to this section, require compliance with the initial annual patient care expense ratio adopted under Section 32.0286, Human Resources Code, as added by this Act, beginning on September 1, 2025.

(b) The Health and Human Services Commission shall, in a contract between the commission and a managed care organization under Chapter 540, Government Code, that is entered into or renewed on or after the effective date of this Act, require the managed care organization to comply with Section 540.0283, Government Code, as added by this Act.

(c) The Health and Human Services Commission shall seek to amend contracts entered into with managed care organizations under Chapter 533 or 540, Government Code, before the effective date of this Act to require those managed care organizations to comply with Section 540.0283, Government Code, as added by this Act. To the extent of a conflict between that section and a provision of a contract with a managed care organization entered into before the effective date of this Act, the contract provision prevails.

SECTION 8. Not later than November 1, 2027, the Health and Human Services Commission shall prepare and submit to the legislature a written report that includes an assessment of the impact of the patient care expense ratio established under Section 32.0286, Human Resources Code, as added by this Act, on nursing facility care provided to Medicaid recipients during the preceding state fiscal biennium, including the impact on the cost and quality of care and any other information the commission determines appropriate.

SECTION 9. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 10. This Act takes effect September 1, 2025.

### **Floor Amendment No. 1**

Amend **CSSB 457** (house committee report) as follows:

(1) On page 5, line 8, between "(v)" and "laundry", insert "housekeeping staff and".

(2) On page 7, lines 9 and 10, strike "long-stay quality measures and the category of short-stay".

### **Floor Amendment No. 2**

Amend **CSSB 457** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering the SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter D, Chapter 532, Government Code, is amended by adding Section 532.0159 to read as follows:

Sec. 532.0159. CONTINUED REIMBURSEMENT OF NURSING FACILITIES WHILE CHANGE IN OWNERSHIP APPLICATION PENDING. (a) Notwithstanding any other law, the commission shall ensure that a nursing facility



providing Medicaid services to recipients continues to receive Medicaid reimbursement uninterrupted while a change in ownership application for the facility is pending with the commission, provided the facility under the new ownership:

(1) accepts assignment of the previous owner's Medicaid provider agreement subject to applicable federal and state law, including applicable federal and state regulations;

(2) satisfies applicable requirements under federal and state law, including the licensing requirement under Chapter 242, Health and Safety Code;

(3) if required by the terms of and agreed to by the parties to the contract, assumes the contract to deliver Medicaid nursing facility services in effect before the change in ownership;

(4) subject to Subsection (b), enters into a successor liability agreement, approved by the commission; and

(5) meets any additional requirements prescribed by the commission.

(b) A successor liability agreement under Subsection (a)(4) must require that the facility under the new ownership:

(1) pay the commission for any outstanding liabilities under the contract in effect before the change in ownership that are identified by the commission; and

(2) agree that an outstanding liability identified by the commission may include a liability incurred by the previous owner without regard to:

(A) when a service was provided or a claim was filed; or

(B) whether the liability is identified by the commission or another authorized entity, including a Medicaid managed care organization.

(c) This section does not apply to a supplemental payment program or a directed payment program, as defined by Section 532.0102, operated or administered by the commission.

(d) The executive commissioner shall adopt rules necessary to implement this section.

The amendments were read.

Senator Kolkhorst submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 457** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Kolkhorst, Chair; Sparks, Hughes, Blanco, and Campbell.

### **SENATE BILL 1610 WITH HOUSE AMENDMENTS (Motion In Writing)**

Senator Perry called **SB 1610** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

### Floor Amendment No. 1

Amend **SB 1610** (house committee report) as follows:

- (1) On page 28, line 20, strike "amending Subsection (b-1) and".
- (2) Strike page 28, line 22, through page 29, line 9.
- (3) On page 29, line 12, strike "(b-1)" and substitute "(b-1)(1)".

### Floor Amendment No. 3

Amend **SB 1610** (house committee report) as follows:

- (1) On page 34, line 12, between "22.01" and "22.012", insert "22.011".
- (2) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 22.011(b), Penal Code, is amended to read as follows:

(b) A sexual assault under Subsection (a)(1) is without the consent of the other person if consent, as defined by Section 1.07(a), is not present or if:

(1) the actor compels the other person to submit or participate by the use of physical force, violence, or coercion;

(2) the actor compels the other person to submit or participate by threatening to use force or violence against the other person or to cause harm to the other person, and the other person believes that the actor has the present ability to execute the threat;

(3) the other person has not consented and the actor knows the other person is unconscious or physically unable to resist;

(4) the actor knows that as a result of mental disease or defect the other person is at the time of the sexual assault incapable either of appraising the nature of the act or of resisting it;

(5) the other person has not consented and the actor knows the other person is unaware that the sexual assault is occurring;

(6) the actor has intentionally impaired the other person's power to appraise or control the other person's conduct by administering any substance without the other person's knowledge;

(7) the actor compels the other person to submit or participate by threatening to use force or violence against any person, and the other person believes that the actor has the ability to execute the threat;

(8) the actor is a public servant who coerces the other person to submit or participate;

(9) the actor is a mental health services provider or a health care services provider who causes the other person, who is a patient or former patient of the actor, to submit or participate by exploiting the other person's emotional dependency on the actor;

(10) the actor is a clergyman who causes the other person to submit or participate by exploiting the other person's emotional dependency on the clergyman in the clergyman's professional character as spiritual adviser;

(11) the actor is an employee of a facility where the other person is a resident, unless the employee and resident are formally or informally married to each other under Chapter 2, Family Code;

(12) the actor is a health care services provider who, in the course of performing an assisted reproduction procedure on the other person, uses human reproductive material from a donor knowing that the other person has not expressly consented to the use of material from that donor;

(13) the actor is a coach or tutor who causes the other person to submit or participate by using the actor's power or influence to exploit the other person's dependency on the actor; or

(14) the actor is a caregiver hired to assist the other person with activities of daily life and causes the other person to submit or participate by exploiting the other person's dependency on the actor.

### **Floor Amendment No. 1 on Third Reading**

Amend **SB 1610** on third reading as follows:

(1) Strike the SECTIONS of the bill amending Section 38.11(a), Penal Code, and adding Sections 38.11(a)(l) and (f)(7) and (8), Penal Code, and renumber subsequent SECTIONS of the bill accordingly.

(2) In the SECTION of the bill providing transition language, as amended by Item (1) of the Floor Amendment by Troxclair (bar code no. 891460) on second reading, strike "36.06, and 38.11" and substitute "36.06".

The amendments were read.

Senator Perry submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 1610** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Perry, Chair; Huffman, Flores, King, and J. Hinojosa.

### **SENATE BILL 763 WITH HOUSE AMENDMENT (Motion In Writing)**

Senator Alvarado called **SB 763** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

### **Amendment**

Amend **SB 763** by substituting in lieu thereof the following:

#### **A BILL TO BE ENTITLED AN ACT**

relating to standard permits for certain concrete plants.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 382.05195, Health and Safety Code, is amended by adding Subsection (e-1) and amending Subsection (k) to read as follows:

(e-1) This subsection applies only to a standard permit issued under this section that authorizes the operation of a permanent concrete plant that performs wet batching, dry batching, or central mixing, as defined by the commission. The commission shall at least once every 10 years conduct a protectiveness review of the permit regarding the operation of a permanent concrete plant described by this subsection. If the commission amends the permit after a protectiveness review, the commission shall allow facilities authorized to emit air contaminants under the permit as it read before the amendment to continue to operate until a date provided by the commission under Subsection (f) that provides facility operators a reasonable amount of time to comply with the amended permit.

(k) An application for an authorization to use ~~[the issuance of]~~ a standard permit under this section for a concrete plant that performs wet batching, dry batching, or central mixing, including a permanent, temporary, or specialty concrete batch plant, as defined by the commission, must include a plot plan that clearly shows:

- (1) a distance scale;
- (2) a north arrow;
- (3) all property lines, emission points, buildings, tanks, and process vessels and other process equipment in the area in which the facility will be located;
- (4) at least two benchmark locations in the area in which the facility will be located; and
- (5) if the permit requires a distance, setback, or buffer from other property or structures as a condition of the permit, whether the required distance or setback will be met.

SECTION 2. Not later than March 1, 2026, the Texas Commission on Environmental Quality shall adopt rules necessary to implement the changes in law made by this Act.

SECTION 3. This Act takes effect September 1, 2025.

The amendment was read.

Senator Alvarado submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 763** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Alvarado, Chair; Birdwell, Miles, Flores, and King.

### **SENATE BILL 2337 WITH HOUSE AMENDMENTS (Motion In Writing)**

Senator Hughes called **SB 2337** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Floor Amendment No. 1**

Amend **SB 2337** (house committee report) as follows:

(1) On page 2, line 27, strike "or has its principal place of business in this state" and substitute ", has its principal place of business in this state, or is a foreign entity that has made a company proposal to become a domestic entity, whether by merger, conversion, or otherwise".

(2) On page 4, line 6, between "on" and "one", insert ", or otherwise takes into account,".

(3) On page 4, line 27, between "proposal" and the underlined period, insert the following:

; or

(3) is not based solely on financial factors and subordinates the financial interests of shareholders to other objectives, including sacrificing investment returns or undertaking additional investment risk to promote nonfinancial factors; or

(4) advises against a company proposal to elect a governing person unless the proxy advisor affirmatively states that the proxy advisory service solely considered the financial interest of the shareholders in making such advice.

(4) On page 5, line 4, strike "conspicuous".

(5) On page 5, line 7, between "(A)" and "states", insert "conspicuously".

(6) Strike page 5, lines 11 through 12, and substitute the following:

(B) explains, with particularity, the basis of the proxy advisor's advice concerning each recommendation and that the advice subordinates the financial interests of shareholders to other objectives, including sacrificing investment returns or undertaking additional investment risk to promote one or more nonfinancial factors;

(7) On page 5, line 24, strike "the" and substitute "any".

(8) On page 5, line 27, strike "policy" and substitute "objectives and policies".

(9) On page 6, line 11, strike "or".

(10) On page 6, line 14, between "nominee" and the underlined period, insert the following:

; or

(3) one or more clients vote for or against the proposal in opposition to the recommendation of the company's management.

**Floor Amendment No. 2**

Amend **SB 2337** (house committee report) as follows:

(1) In added Section 6A.001, Business Organizations Code (page 2, line 23), add the following appropriately numbered subdivisions and renumber subsequent subdivisions of that section and cross-references to those subdivisions accordingly:

( ) "Affiliated group" means a group of one or more entities in which a controlling interest is owned by a common owner or owners, either corporate or noncorporate, or by one or more of the member entities.

( ) "Charitable organization" means an organization that is exempt from federal income tax under Section 501(a), Internal Revenue Code of 1986, by being listed as an exempt organization under Section 501(c)(3) of that code.

(2) Immediately after page 3, line 26, add the following:

Sec. 6A.002. INAPPLICABILITY. This chapter does not apply to a charitable organization if:

(1) the organization's gross annual revenue from proxy advisory services is less than \$500,000; and

(2) if applicable, each affiliated group of the organization has combined gross annual revenue from proxy advisory services that is less than \$500,000.

The amendments were read.

Senator Hughes submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 2337** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hughes, Chair; Bettencourt, J. Hinojosa, Birdwell, and A. Hinojosa.

### **SENATE BILL 2753 WITH HOUSE AMENDMENTS (Motion In Writing)**

Senator Hall called **SB 2753** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

#### **Amendment**

Amend **SB 2753** by substituting in lieu thereof the following:

#### **A BILL TO BE ENTITLED AN ACT**

relating to a study on the feasibility of integrating early voting by personal appearance and election day voting, including the manner in which election returns are processed and other related changes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 31, Election Code, is amended by adding Section 31.023 to read as follows:

Sec. 31.023. STUDY ON FEASIBILITY OF EARLY VOTING AND ELECTION DAY VOTING INTEGRATION. (a) The secretary of state shall conduct a study examining the feasibility and necessary practices and procedures to integrate early voting by personal appearance and election day voting, including by adjusting the manner in which election returns are processed and making other related changes.

(b) In conducting the study, the secretary of state shall determine the costs, logistics, and methods required for a county holding an election to:

(1) conduct early voting beginning on the 12th day before election day and continuing through the day before election day, including Saturdays, Sundays, and holidays;

(2) designate as locations for polling places on election day each location designated as a polling place during the early voting period;

(3) provide for the security of voting systems and equipment during the early voting period and between the early voting period and election day; and

(4) process and tabulate early voting ballots voted by personal appearance to be counted using automatic tabulating equipment in the same manner as ballots voted on election day at the same polling place.

(c) Not later than September 1, 2026, the secretary of state shall submit to the governor, the lieutenant governor, the speaker of the house of representatives, and each standing committee of the legislature with jurisdiction over elections a report on the findings of the study, including any statutory changes necessary to the Election Code for elections in this state to be conducted in the manner described by Subsection (b).

(d) This section expires January 1, 2027.

SECTION 2. This Act takes effect September 1, 2025.

### **Floor Amendment No. 1**

Amend **CSSB 2753** (house committee report) by striking all below the enacting clause and substituting the following:

SECTION 1. Section 12.004(d), Election Code, is amended to read as follows:

(d) If early voting by personal appearance is required to be conducted for extended hours under Section 85.005(c) [~~or for weekend hours under Section 85.006(e)~~], the registrar's office shall remain open for providing voter registration information during the extended hours [~~or weekend hours~~] that the main early voting polling place is open for voting.

SECTION 2. Section 19.004(a), Election Code, is amended to read as follows:

(a) Except as provided by Subsection (d), state funds disbursed under this chapter may be used only to:

(1) defray expenses of the registrar's office in connection with voter registration, including additional expenses related to:

(A) implementation of the National Voter Registration Act of 1993 (52 U.S.C. Section 20501 et seq.);

(B) complying with weekly updating requirements; and

(C) the employment of temporary voter registration personnel for not more than 39 weeks in a state fiscal year; and

(2) if the registrar's county has a population of less than 55,000, defray the cost to the registrar's county of keeping the polling places in the county open during the early voting period as required under Section [Sections] 85.005(c)~~[85.006(e), and 85.064(d)]~~.

SECTION 3. Section 42.0051, Election Code, is amended to read as follows:

Sec. 42.0051. COMBINING CERTAIN PRECINCTS. (a) If changes in county election precinct boundaries to give effect to a redistricting plan result in county election precincts with fewer than 3,000 registered voters, a commissioners court for a general or special election, or for a primary election, the county executive committee of a political party conducting a primary election, may combine county election precincts notwithstanding Section 42.005 to avoid unreasonable expenditures for

election equipment, supplies, and personnel ~~[This section applies only to a county with a population of less than 1.2 million that does not participate in the countywide polling place program described by Section 43.007].~~

(b) A combined precinct under Subsection (a) is subject to the maximum population prescribed for a precinct under Section 42.006.

(c) ~~(a-1)~~ In a primary election, the county executive committee of a political party conducting the primary election, or for a general or special election for which use of county election precincts is required, the commissioner's court of a county that does not participate in the countywide polling place program described by Section 43.007 may, on the recommendation of the county election board, combine county election precincts notwithstanding Section 42.005 if:

(1) the commissioners court cannot secure a suitable polling place location under Section 43.031; and

(2) the location of the combined polling place adequately serves the voters of the combined precinct.

(d) ~~(c)~~ A combined precinct under Subsection (c) ~~[this section]~~ may not contain more than 10,000 registered voters. If a county has more than one combined precinct under Subsection (c), the number of voters contained in the smallest combined precinct in the county may not be less than 95 percent of the number of voters contained in the largest combined precinct in the county.

(e) ~~(d)~~ A combined precinct may not be established if it:

(1) results in a dilution of voting strength of a group covered by the federal Voting Rights Act (42 U.S.C. Section 1973c et seq.);

(2) results in a dilution of representation of a group covered by the Voting Rights Act in any political or electoral process or procedure; or

(3) results in discouraging participation by a group covered by the Voting Rights Act in any political or electoral process or procedure because of the location of a polling place or other factors.

(f) For the purposes of appointing a presiding election judge and an alternate presiding judge to a county election precinct combined under this section, the combined precinct shall be considered a single precinct and the judges shall be appointed in accordance with the procedures provided under Chapter 32.

SECTION 4. Subchapter A, Chapter 43, Election Code, is amended by adding Section 43.0015 to read as follows:

Sec. 43.0015. DESIGNATION OF LOCATION: USE OF EARLY VOTING POLLING PLACE ON ELECTION DAY. The authority responsible for designating polling places under this subchapter shall, at a minimum, designate as locations for polling places on election day:

(1) the location designated as the main early voting polling place under Section 85.002;

(2) each location designated as a permanent branch polling place under Section 85.061; and

(3) each location designated as a temporary branch polling place under Section 85.062.

SECTION 5. Section 61.002(a), Election Code, is amended to read as follows:



(a) Immediately before opening the polls for voting on the first day of voting at a polling place during early voting or ~~and~~ on election day, the presiding election judge or alternate election judge shall confirm that each voting machine has any public counter reset to zero and shall print the tape that shows the counter was set to zero for each candidate or measure on the ballot.

SECTION 6. Section 62.005, Election Code, is amended to read as follows:

Sec. 62.005. EXAMINING BALLOT BOXES. On the first day of voting at a polling place during early voting or on election day, an ~~An~~ election officer shall open and examine the ballot boxes and remove any contents from the boxes.

SECTION 7. Section 65.002(a), Election Code, is amended to read as follows:

(a) Subject to Subsection (b), the presiding judge may direct the counting of ballots to occur on election day at any time after the polls have been open for one hour.

SECTION 8. Section 65.014(b), Election Code, is amended to read as follows:

(b) The returns must state:

(1) the total number of voters who voted at the polling place during early voting by personal appearance and on election day as indicated by the poll list; and

(2) the total number of votes counted for each candidate and for and against each measure.

SECTION 9. Sections 65.016(a) and (b), Election Code, are amended to read as follows:

(a) A county that holds or provides election services for an election and maintains an Internet website shall post on its public Internet website for an election of public officials or of a governmental entity authorized by law to impose a tax administered by the county:

(1) the results of each election;

(2) the total number of votes cast;

(3) the total number of votes cast for each candidate or for or against each measure;

(4) the total number of votes cast for each candidate or for or against each measure at each polling location;

(5) the total number of votes cast by personal appearance ~~[on election day]~~;

(6) ~~(5)~~ the total number of votes cast by personal appearance or mail [during the early voting period]; and

(7) ~~(6)~~ the total number of counted and uncounted provisional ballots cast.

(b) A city or independent school district that holds an election and maintains an Internet website shall post on its public Internet website for the city or independent school district, as applicable:

(1) the results of each election;

(2) the total number of votes cast;

(3) the total number of votes cast for each candidate or for or against each measure;

(4) the total number of votes cast for each candidate or for or against each measure at each polling location;

(5) the total number of votes cast by personal appearance ~~[on election day]~~;

(6) ~~[(5)]~~ the total number of votes cast by ~~[personal appearance or]~~ mail ~~[during the early voting period]~~; and

(7) ~~[(6)]~~ the total number of counted and uncounted provisional ballots cast.

SECTION 10. The heading to Section 66.0021, Election Code, is amended to read as follows:

Sec. 66.0021. ~~[ELECTION DAY]~~ VOTE TOTAL FOR CERTAIN ELECTIONS.

SECTION 11. Section 66.0021(b), Election Code, is amended to read as follows:

(b) The general custodian of election records for a primary election or the general election for state and county officers shall maintain a list that states the total number of votes cast in each precinct by personal appearance ~~[on election day]~~ that is available for public inspection not later than the day after election day.

SECTION 12. Sections 67.004(b) and (b-1), Election Code, are amended to read as follows:

(b) The canvassing authority shall prepare a tabulation stating for each candidate and for and against each measure:

- (1) the total number of votes received in each precinct; ~~[and]~~
- (2) the total number of votes received in each polling location; and
- (3) the sum of the precinct totals tabulated under Subdivision (1).

(b-1) The tabulation in Subsection (b) must also include for each precinct and for each polling location the total number of voters who cast a ballot for a candidate or for or against a measure in the election. The secretary of state shall prescribe any procedures necessary to implement this subsection.

SECTION 13. Section 67.017(a), Election Code, is amended to read as follows:

(a) After each election for a statewide office or the office of United States representative, state senator, or state representative, a district office, a county office, or a precinct office, the county clerk shall prepare a report of the number of votes, including ~~[early voting]~~ votes cast by mail and ~~[early voting votes cast]~~ by personal appearance, received in each county election precinct and in each polling location for each candidate for each of those offices. In a presidential election year, the report must include the number of votes received in each precinct and in each polling location for each set of candidates for president and vice-president of the United States.

SECTION 14. Section 84.032(c), Election Code, is amended to read as follows:

(c) An applicant may submit a request ~~[after the close of early voting by personal appearance]~~ by appearing in person and:

- (1) returning the ballot to be voted by mail to the early voting clerk; or
- (2) executing an affidavit that the applicant:

- (A) has not received the ballot to be voted by mail;
- (B) never requested a ballot to be voted by mail; or
- (C) received notice of a defect under Section 87.0271(b) or (c) or

87.0411(b) or (c).

SECTION 15. Sections 85.001(a) and (e), Election Code, are amended to read as follows:

(a) The period for early voting by personal appearance begins on the 12th ~~[17th]~~ day before election day, ~~[and]~~ continues through the ~~[fourth]~~ day before election day, and includes Saturdays, Sundays, and holidays, except as otherwise provided by this section.

(e) For an election held on the uniform election date in May and any resulting runoff election, the period for early voting by personal appearance begins on the ninth ~~[12th]~~ day before election day, ~~[and]~~ continues through the ~~[fourth]~~ day before election day, and includes Saturdays, Sundays, and holidays.

SECTION 16. Sections 85.005(a), (b), and (c), Election Code, are amended to read as follows:

(a) Except as provided by Subsection (c), in an election in which a county clerk is the early voting clerk under Section 83.002, early voting by personal appearance at the main early voting polling place shall be conducted on each day ~~[weekday]~~ of the early voting period ~~[that is not a legal state holiday and]~~ for a period of at least nine hours, except that voting may not be conducted earlier than 6 a.m. or later than 10 p.m.

(b) In an election to which Subsection (a) does not apply, early voting by personal appearance at the main early voting polling place shall be conducted at least nine hours each day ~~[weekday]~~ of the early voting period ~~[that is not a legal state holiday]~~ unless the territory covered by the election has fewer than 1,000 registered voters. In that case, the voting shall be conducted at least four hours each day. The authority ordering the election, or the county clerk if that person is the early voting clerk, shall determine which hours the voting is to be conducted.

(c) Voting in a primary election, ~~[or]~~ the general election for state and county officers, or a special election ordered by the governor shall be conducted at the main early voting polling place for at least 12 consecutive hours on each ~~[weekday]~~ of the last four days ~~[week]~~ of the early voting period except that voting shall be conducted for at least nine consecutive hours on a Sunday, ~~[and the voting in a special election ordered by the governor shall be conducted at the main early voting polling place for at least 12 consecutive hours on each of the last two days of the early voting period]~~. Voting under this subsection may not be conducted earlier than 6 a.m. or later than 10 p.m.

SECTION 17. Sections 85.007(a) and (b), Election Code, are amended to read as follows:

(a) The election order and the election notice must state:

(1) the date that early voting will begin if under Section 85.001(d) the early voting period is to begin later than the prescribed date; and

(2) the regular dates and hours that voting will be conducted under Section 85.005(b), including ~~[; and~~

~~[(3) the dates and hours that]~~ voting on Saturday or Sunday ~~[is ordered to be conducted under Section 85.006(a)]~~.

(b) The early voting clerk shall post notice for each election stating the dates and hours that voting on a Saturday or Sunday will ~~[is ordered to]~~ be conducted ~~[under Section 85.006(b)]~~.

SECTION 18. Section 85.032, Election Code, is amended by amending Subsection (d) and adding Subsection (g) to read as follows:

(d) Each custodian shall retain possession of the key entrusted to the custodian until it is delivered to, as applicable, the presiding judge of:

- (1) the central counting station;
- (2) the early voting ballot board; or
- (3) an election day polling place.

(g) Voted early voting ballots to be counted manually shall be kept in a separate ballot box from voted early voting ballots to be counted using automatic tabulating equipment.

SECTION 19. Section 85.033, Election Code, is amended to read as follows:

Sec. 85.033. SECURITY OF VOTING MACHINE. At the close of early voting each day, the early voting clerk shall secure each voting machine used for early voting in the manner prescribed by the secretary of state so that its unauthorized operation is prevented. The clerk shall unsecure the machine before the beginning of ~~[early]~~ voting the following day.

SECTION 20. Section 85.071, Election Code, is amended to read as follows:

Sec. 85.071. DELIVERY OF BALLOTS TO MAIN POLLING PLACE. (a) During the period for early voting by personal appearance, the ballots voted at a branch polling place~~[-other than those cast on a voting machine,]~~ shall be:

(1) retained securely at the branch polling place in a locked room accessible only to election officers; or

(2) delivered by an election officer or designated law enforcement officer to the main early voting polling place at the close of voting each day.

(b) The unvoted ballots at the branch polling place~~[-other than voting machine ballots,]~~ shall be retained or delivered with the voted ballots of the same ballot style but in a separate locked container.

(c) ~~At [All voted and unvoted ballots shall be delivered by an election officer or designated law enforcement officer to the main polling place at]~~ the close of early voting ~~[on the last day of voting]~~ at a ~~[the]~~ branch polling place:

(1) unvoted ballots shall be retained or delivered in the manner described by Subsection (b);

(2) voted ballots to be counted using automatic tabulating equipment shall be retained or delivered in the manner described by Subsection (a); and

(3) voted ballots to be counted manually shall be:  
(A) delivered by an election officer or designated law enforcement officer to the main early voting polling place; and

(B) set aside for subsequent delivery to the early voting ballot board under Section 87.021.

(d) At the close of the polls on election day, voted early voting ballots to be counted using automatic tabulating equipment shall be delivered with the ballots voted on election day at the same polling place to the central counting station according to Section 87.129 and the procedures under Subchapter C, Chapter 127.

SECTION 21. Section 87.021, Election Code, is amended to read as follows:

Sec. 87.021. BALLOTS AND OTHER MATERIALS DELIVERED TO BOARD. The early voting clerk shall deliver to the early voting ballot board:

(1) in an election in which regular paper ballots are used for early voting by personal appearance, each ballot box, in accordance with Section 85.032(b), containing the early voting ballots voted by personal appearance to be counted manually and the clerk's key to each box;

(2) the jacket envelopes containing the early voting ballots voted by mail, regardless of the ballot type or voting system used;

(3) the poll lists prepared in connection with early voting by personal appearance;

(4) the list of registered voters used in conducting early voting; and

(5) a ballot transmittal form that includes a statement of the number of early voting ballots voted by mail, regardless of the ballot type or voting system used, that are delivered to the early voting ballot board, and in an election in which regular paper ballots are used for early voting by personal appearance, the number of names appearing on the poll lists prepared in connection with early voting by personal appearance.

SECTION 22. Section 87.022, Election Code, is amended to read as follows:

Sec. 87.022. TIME OF DELIVERY: GENERAL RULE. Except as provided by Section 87.0221 ~~or~~ 87.0222, ~~[87.023, or 87.024,]~~ the materials shall be delivered to the early voting ballot board under this subchapter during the time the polls are open on election day, or as soon after the polls close as practicable, at the time or times specified by the presiding judge of the board.

SECTION 23. Section 87.0241(b), Election Code, is amended to read as follows:

(b) The board may not count early voting ballots until:

(1) the polls open on election day; or

(2) in an election conducted by an authority of a county with a population of 100,000 or more, or conducted jointly with such a county or conducted with such a county through a contract for election services, the fourth day before election day ~~[end of the period for early voting by personal appearance]~~.

SECTION 24. Section 87.103, Election Code, is amended to read as follows:

Sec. 87.103. COUNTING BALLOTS AND PREPARING RETURNS. (a) The ~~[early voting electronic system ballots counted at a central counting station, the]~~ ballots cast by personal appearance ~~[at precinct polling places,]~~ and the ballots voted by mail shall be tabulated separately and shall be separately reported on the returns.

(b) The ~~[early voting]~~ returns prepared at the central counting station must include any ~~[early voting]~~ results obtained by the early voting ballot board under Subchapter D.

SECTION 25. Section 87.104, Election Code, is amended to read as follows:

Sec. 87.104. DISPOSITION OF EARLY VOTING BALLOT BOARD RETURNS AND OTHER RECORDS. Returns ~~[Early voting returns]~~ or other early voting election records to be delivered to the central counting station under Section 87.063(b) ~~[or 87.084(b)]~~ shall be delivered to the appropriate authorities with the counting station records.

SECTION 26. Section 87.1231, Election Code, is amended to read as follows:

Sec. 87.1231. EARLY VOTING BY MAIL VOTES REPORTED BY PRECINCT. Not later than the time of the local canvass, the early voting clerk shall deliver to the local canvassing authority a report of the total number of early voting votes by mail for each candidate or measure by election precinct. ~~[The report may reflect the total for votes by mail and the total for votes by personal appearance.]~~

SECTION 27. Subchapter G, Chapter 87, Election Code, is amended by adding Section 87.129 to read as follows:

Sec. 87.129. DISPOSITION OF CERTAIN BALLOTS VOTED BY PERSONAL APPEARANCE. Voted early voting ballots retained or delivered to the main early voting polling place under Section 85.071(c)(2) shall be treated as ballots voted on election day at the same polling place for purposes of processing and tabulation under Chapter 65.

SECTION 28. Section 102.003(b), Election Code, is amended to read as follows:

(b) An application must [may] be submitted ~~[after the last day of the period for early voting by personal appearance and]~~ before 5 p.m. on election day.

SECTION 29. Section 127.131(a), Election Code, is amended to read as follows:

(a) After the automatic counting of ballots ~~[for each precinct]~~ is completed, the presiding judge of the central counting station shall prepare the election returns for each [that] precinct and each polling location and sign the returns to certify their accuracy.

SECTION 30. Section 172.124(a), Election Code, is amended to read as follows:

(a) For each primary election, the county clerk shall prepare a report of the number of votes ~~[, including early voting votes,]~~ received in each county election precinct by each candidate for an office, other than a party office, as provided by Section 67.017 for the report of precinct results for a general election.

SECTION 31. The following provisions of the Election Code are repealed:

- (1) Chapter 103;
- (2) Section 43.007(i);
- (3) Section 85.006;
- (4) Section 85.008;
- (5) Section 85.064(d);
- (6) Section 85.068;
- (7) Section 87.023;
- (8) Section 87.024;
- (9) Section 113.004(c); and
- (10) Section 129.057.

SECTION 32. The changes in law made by this Act apply only to an election ordered on or after the effective date of this Act.

SECTION 33. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

**Floor Amendment No. 2**

Amend Amendment No. 1 by Money to **CSSB 2753** (house committee report) as follows:

(1) On page 2, strike lines 18-25 and substitute the following: (c) [(a-1)] In a county that does not participate in the countywide polling place program described by Section 43.007, for a general or special election for which use of county election precincts is required, the commissioner's court [may,] on the recommendation of the county election board, or for a primary election for which use of county election precincts is required, the county executive committee of a political party conduct the primary election, may combine county election precincts notwithstanding Section 42.005 if:

(2) Strike the underlined language on page 2, line 31 through page 3, line 4, an re-letter subsequent subsections accordingly.

**Floor Amendment No. 3**

Amend Amendment No. 1 by Money to **CSSB 2753** on page 14 by striking lines 26 through 30 and substituting the following:

SECTION 33. This Act takes effect September 1, 2027.

**Floor Amendment No. 1 on Third Reading**

Amend **SB 2753** on third reading by striking SECTIONS 32 and 33 of the bill and substituting the following:

SECTION 32. (a) This section takes effect September 1, 2025.

(b) As soon as practicable after the effective date of this section, but not later than August 1, 2027, the secretary of state shall adopt rules and prescribe procedures required for the implementation of this Act.

SECTION 33. The changes in law made by this Act apply only to an election ordered on or after August 1, 2027.

SECTION 34. Except as otherwise provided by this Act, this Act takes effect August 1, 2027.

The amendments were read.

Senator Hall submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **CSSB 2753** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hall, Chair; A. Hinojosa, Hagenbuch, Paxton, and Hughes.

**SENATE BILL 3059 WITH HOUSE AMENDMENTS**  
**(Motion In Writing)**

Senator Campbell called **SB 3059** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Floor Amendment No. 1**

Amend **SB 3059** (house committee report) as follows:

(1) On page 1, between lines 5 and 6, add the following appropriately numbered SECTION to the bill:

SECTION \_\_\_\_\_. Section 441.198(a), Government Code, is amended to read as follows:

(a) The commission may negotiate an agreement with the appropriate authorities in Mexico under which this state will trade or lend to Mexico the flags of the Toluca Battalion, the Guerrero Battalion, and the Matamoros Battalion captured at the Battle of San Jacinto ~~[and Mexico will trade or lend to this state the flag of the New Orleans Greys captured at the Battle of the Alamo]~~. An agreement under this section:

(1) may not affect title to the flags;

(2) may provide that this state will restore the San Jacinto flags to a suitable condition ~~[and Mexico will restore the Alamo flag to a suitable condition]~~ before the trade or loan of the flags as long as such conditioning does not alter the authenticity or integrity of the flags; and

(3) is not valid if it is not approved by the governor and by the appropriate authority for approval under the laws of Mexico.

(2) On page 5, strike lines 2 through 6, and substitute the following appropriately numbered SECTION recital:

SECTION \_\_\_\_\_. Section 31.451, Natural Resources Code, is transferred to Subchapter C, Chapter 443A, Government Code, as added by this Act, redesignated as Section 443A.101, Government Code, and amended to read as follows:

(3) Strike page 5, line 26, through page 7, line 25, and substitute the following appropriately numbered SECTION:

SECTION \_\_\_\_\_. Subchapter C, Chapter 443A, Government Code, as added by this Act, is amended by adding Sections 443A.102, 443A.103, 443A.104, 443A.105, and 443A.106 to read as follows:

Sec. 443A.102. AGREEMENT WITH MEXICO; ALAMO BATTLE FLAG.

(a) The commission may negotiate an agreement with the appropriate authorities in Mexico under which Mexico will trade or lend to this state the flag of the New Orleans Greys captured at the Battle of the Alamo. An agreement under this section:

(1) may not affect title to the flag;

(2) may provide that Mexico will restore the flag to a suitable condition before the trade or loan of the flag as long as the conditioning does not alter the authenticity or integrity of the flag; and

(3) is not valid unless the agreement is approved by the governor and by the appropriate authority for approval under the laws of Mexico.



(b) If an agreement to trade or lend the Alamo battle flag under Subsection (a) does not provide that Mexico will restore the flag to a suitable condition before the trade or loan, the commission may use only gifts or grants to restore the flag to a suitable condition after the trade or loan.

(c) The commission shall designate an appropriate place in the Alamo complex for the secure display of the Alamo battle flag.

Sec. 443A.103. VICTORY OR DEATH LETTER. (a) In this section, "victory or death letter" means the letter written by Lieutenant Colonel William B. Travis dated February 24, 1836, and signed "Victory or Death."

(b) The commission, in consultation with the state agency with jurisdiction over the victory or death letter, shall designate an appropriate place in the Alamo complex for the secure display of the victory or death letter.

Sec. 443A.104. JURISDICTION OVER CERTAIN ARTIFACTS. Except as provided by Sections 441.198 and 443A.103, the commission has jurisdiction over an artifact or item of historical interest associated with the Alamo.

Sec. 443A.105. AGREEMENT FOR SECURITY OPERATIONS. The commission shall enter into an agreement with the Department of Public Safety for the department to provide security operations for the Alamo complex.

Sec. 443A.106. ANNUAL BUDGET AND WORK PLAN. (a) The commission shall prepare an annual budget and work plan for the Alamo complex and the buildings in the complex, their contents, and their grounds. The plan must address preservation, usual maintenance, and any necessary construction for the complex.

(b) The commission may satisfy the requirements of this section by overseeing the preparation of an annual budget and work plan described by Subsection (a) by a qualifying nonprofit organization with which the commission contracts under Section 443A.101(d).

(4) On page 9, between lines 17 and 18, add the following appropriately numbered SECTION to the bill:

SECTION \_\_\_\_\_. Section 504.665(b), Transportation Code, is amended to read as follows:

(b) After deduction of the department's administrative costs, the remainder of the fee for issuance of the license plates shall be deposited to the credit of an account created by the comptroller in the manner provided by Section 504.6012(b). Money deposited to that account may be used only by the Alamo Commission [~~General Land Office~~] as follows:

(1) 75 percent of the money shall be used for the preservation of the Alamo; and

(2) 25 percent of the money shall be used to enhance the Alamo visitor experience or to fund education programs about the Alamo.

(5) In SECTION 12 of the bill, repealing provisions (page 9, lines 18 through 26), add the following appropriately numbered subdivisions and renumber the subdivisions of that section accordingly:

( ) Section 441.198(c), Government Code;

( ) Section 31.453, Natural Resources Code;

(6) Renumber the SECTIONS of the bill accordingly.

**Floor Amendment No. 2**

Amend **SB 3059** (house committee report) as follows:

(1) On page 9, line 27, through page 10, line 1, strike "effective date of this Act" and substitute "date the General Land Office determines the Alamo Plan, funded through appropriations provided by Chapter 1170 (**HB 1**), Acts of the 88th Legislature, Regular Session, 2023 (the General Appropriations Act), has been fully implemented".

(2) On page 10, line 10, strike "January 1, 2028" and substitute "four months after the date described by Subsection (a) of this section".

(3) On page 10, lines 21 and 22, strike "On September 1, 2027, or as soon as practicable after that date" and substitute "As soon as practicable after the date described by Section 13(a) of this Act".

(4) On page 11, lines 2 and 3, strike "by January 1, 2028" and substitute "not later than the 30th day after the date described by Section 13(a) of this Act".

(5) On page 11, line 4, strike "January 1, 2028" and substitute "the date described by Section 13(a) of this Act".

**Floor Amendment No. 1 on Third Reading**

Amend **SB 3059** on third reading in the SECTION of the bill added in Amendment No. 1 by Metcalf on second reading, in Item (3), adding sections to Subchapter C, Chapter 443A, Government Code, as added by the Act, between added Section 443A.102, Government Code, and added Section 443A.103, Government Code, by inserting the following:

Sec. 443A.1025. AGREEMENT WITH MEXICO; 1813 TEXAS DECLARATION OF INDEPENDENCE. (a) In this section, "1813 Declaration of Independence" means the first Texas Declaration of Independence dated April 6, 1813, and proclaiming Texas' independence from Spain.

(b) The commission may negotiate an agreement with the appropriate authorities in Mexico under which Mexico will trade or lend to this state the 1813 Declaration of Independence. An agreement under this section:

(1) may not affect title to the 1813 Declaration of Independence;

(2) may provide that Mexico will restore the 1813 Declaration of Independence to a suitable condition before the trade or loan, provided the conditioning does not alter the authenticity or integrity of the 1813 Declaration of Independence; and

(3) is not valid unless the agreement is approved by the governor and by the appropriate authority for approval under the laws of Mexico.

(c) If an agreement to trade or lend the 1813 Declaration of Independence under Subsection (b) does not provide that Mexico will restore the 1813 Declaration of Independence to a suitable condition before the trade or loan, the commission may use only gifts or grants to restore the 1813 Declaration of Independence to a suitable condition after the trade or loan.

(d) The commission shall designate an appropriate place in the Alamo complex for the secure display of the 1813 Declaration of Independence.

The amendments were read.

Senator Campbell submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 3059** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Campbell, Chair; Hancock, Huffman, Parker, and Schwertner.

### **SENATE BILL 2900 WITH HOUSE AMENDMENT (Motion In Writing)**

Senator Kolkhorst called **SB 2900** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

#### **Floor Amendment No. 1**

Amend **SB 2900** (house committee report) as follows:

(1) On page 1, line 23, between "the" and "that", strike "legislature" and substitute "presiding officer of each house of the legislature".

(2) On page 2, in line 4, between "Section" and ",", strike "403.1041(a)" and substitute "403.1041".

(3) On page 2, in lines 4-5, between "amended" and "to", insert "by amending Subsections (a), (b), (c), (e), and (h) and adding Subsections (g),(i), and (j)".

(4) On page 2, following line 26, insert the following:

(b) ~~[With the advice of and in consultation with the advisory committee, the]~~ The comptroller shall administer the account and shall manage the assets of the account.

(c) In managing the assets of the account, the comptroller~~[, with the advice of and in consultation with the advisory committee,]~~ may acquire, exchange, sell, supervise, manage, or retain, through procedures and subject to restrictions the comptroller establishes and in amounts the comptroller considers appropriate, any kind of investment that a person of ordinary prudence, discretion, and intelligence, exercising the judgment and care under the circumstances prevailing at that time, would acquire or retain for the person's own account in the management of the person's affairs, not in regard to speculation but in regard to the permanent disposition of the person's money, considering the probable income as well as the probable safety of the capital. Investment and management decisions concerning individual investments must be evaluated not in isolation but in the context of the investment portfolio as a whole and as part of an overall investment strategy consistent with the investment objectives of the account.

(e) The comptroller~~[, with the advice of and in consultation with the advisory committee,]~~ may use the earnings of the account for any investment expense, including to obtain the advice of appropriate investment consultants for managing the assets in the account.

(g) Members of the advisory board serve without compensation but are entitled to reimbursement for actual and necessary expenses in attending meetings of the advisory board or performing other official duties authorized by the comptroller.

~~(h) The comptroller shall adopt rules necessary to implement the comptroller's duties under this section, including rules distinguishing the net earnings of the account that may be distributed under Subsection (f) from earnings used for investment expenses under Subsection (e) and from the money and assets that are the corpus of the account. [A rule adopted by the comptroller under this subsection must be submitted to the advisory committee and may not become effective before the rule is approved by the advisory committee. If the advisory committee disapproves a proposed rule, the advisory committee shall provide the comptroller the specific reasons that the rule was disapproved.]~~

(i) The comptroller shall annually present to the advisory committee the following information:

(1) a summary of the account's investment performance;

(2) the dollar amount the comptroller expects to distribute to the political subdivisions pursuant to Subsection (f); and

(3) any changes to the applicable investment policy statement or rules promulgated or amended by the comptroller pursuant to Subsection (h).

(j) The advisory committee may provide advice and consultation to the comptroller regarding the administration of the account's investments and the dollar amount to be distributed to the political subdivisions, subject to the requirements and limitations in the applicable investment policy statement, laws, and regulations.

(5) On page 3, strike lines 18-23, and substitute the following:

(a) The tobacco settlement permanent trust account administration advisory committee shall advise the department on the implementation of the department's duties under this subchapter and may advise the comptroller on the administration of the comptroller's duties under Section 403.1041, Government Code.

(6) Add the following appropriately numbered SECTIONS to the bill and renumbering subsequent sections accordingly:

SECTION \_\_\_\_ . Section 404.028, Government Code, is amended to read as follows:

(a) The comptroller shall establish an investment advisory board to advise the comptroller and the trust company regarding investments that the comptroller makes by and through the trust company under this subchapter or other law. For purposes of this section, the deposit of state funds in a state depository is not considered an investment. The advisory board serves in an advisory capacity only and is not a fiduciary with respect to the investments made by the comptroller by and through the trust company under this subchapter or other law. In this section, "trust company" means Texas treasury safekeeping trust company.

(b) The comptroller shall appoint members to the advisory board who possess the expertise appropriate for advising the comptroller with regard to one or more types of investments that the comptroller may make. The members of the advisory board must have knowledge of or experience in finance, including the management of funds or business operations.

(c) The comptroller shall determine the number of members of the advisory board. The comptroller may adopt rules governing the advisory board, including rules regarding terms of service and removal. ~~[A member serves on the advisory board at the will of the comptroller.]~~

(d) Chapter 2110 does not apply to the ~~[size, composition, or duration of]~~ the advisory board.

(e) A person is not eligible for appointment to the advisory board if the person or the person's spouse:

(1) is employed by or participates in the management of a business entity or other organization receiving funds from the trust company;

(2) owns or controls, directly or indirectly, more than a 10 percent interest in a business entity or other organization receiving funds from the trust company; or

(3) receives money from the business entity or other organization receiving funds from the trust company that exceeds five percent of the person's gross income for the preceding calendar year.

(f) Before a member of the advisory board may assume the member's duties, the member must complete a training program providing information regarding:

(1) assets managed by the comptroller by and through the trust company under this subchapter or other law; and

(2) the applicable statutes, including Chapter 551 and 552.

SECTION \_\_\_\_\_. Section 404.101, Government Code, is amended by amending Subdivision (1) to read as follows:

(1) "Advisory board" means the ~~[Texas treasury safekeeping trust company]~~ comptroller's investment advisory board.

(7) On pages 3-4, strike lines 26-27 and lines 1-4, and insert the following: The following provisions are repealed:

(1) Sections 403.028(f), 403.1042, 403.618, 4901.0110; 404.108, 404.109, 404.110, 404.111, 404.112, and 404.113, Government Code;

(2) Section 403.602(14), Government Code, as added by Chapter 377 (HB 5), Acts of the 88th Legislature, Regular Session, 2023; and

(3) Chapter 395, Finance Code.

(8) Renumber SECTIONS of the bill as appropriate.

The amendment was read.

Senator Kolkhorst submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 2900** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Kolkhorst, Chair; Nichols, Campbell, Perry, and Zaffirini.

**SENATE BILL 2217 WITH HOUSE AMENDMENTS**  
**(Motion In Writing)**

Senator Hughes called **SB 2217** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Floor Amendment No. 1**

Amend **SB 2217** (house committee report) on page 4, line 14, by striking "one percent or more" and substituting "at least one percent or more than three votes, whichever is greater.".

**Floor Amendment No. 1 on Third Reading**

Amend **SB 2217** (house committee report) on third reading as follows:

(1) On page 1, line 4, strike "31.014(a), Election Code, is amended" and substitute "31.014, Election Code, is amended by amending Subsection (a) and adding Subsection (a-1)".

(2) On page 2, between lines 19 and 20, insert the following:

(a-1) Nothing in this section may be construed to prevent an election official from redacting information included on a document described by Subsection (a) as necessary to preserve a voter's right to a secret ballot protected under Section 4, Article VI, Texas Constitution.

(3) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 15.025, Election Code, is amended by amending Subsection (a) and adding Subsection (e) to read as follows:

(a) Except as provided by Subsections (b), ~~[and]~~ (d), and (e), the registration of a voter described by this subsection whose information is changed on the registration records becomes effective as to the change on the 30th day after:

(1) the date the voter submits to the registrar a notice of a change in registration information under Section 15.021 or a response under Section 15.053, indicating the change; or

(2) the date the voter submits a statement of residence to an election officer under Section 63.0011 or a registration application or change of address to an agency employee under Chapter 20, indicating the change.

(e) A voter's registration takes effect immediately upon the registrar's receipt of a notice of the voter's change of address submitted under Section 15.021, Section 63.0011, Section 15.053, or Chapter 20 if the voter changes residence within the same county as the voter's current registration address.

SECTION \_\_\_\_\_. Sections 63.0011(b) and (c), Election Code, are amended to read as follows:

(b) If the voter's residence address is not current because the voter has changed residence within the county, the voter may vote, if otherwise eligible, in the election precinct in which the voter resides ~~[is registered]~~ if the voter resides in the county in which the voter is registered ~~[and, if applicable:~~

~~[(1) resides in the political subdivision served by the authority ordering the election if the political subdivision is other than the county; or~~

~~[(2) resides in the territory covered by the election in a less than countywide election ordered by the governor or a county authority].~~

(c) Before being accepted for voting, the voter must execute and submit to an election officer a statement including:

(1) a statement that the voter satisfies the applicable residence requirement ~~[requirements]~~ prescribed by Subsection (b);

(2) all of the information that a person must include in an application to register to vote under Section 13.002; ~~[and]~~

(3) the date the statement is submitted to the election officer; and

(4) a request to the registrar to change the voter's registration address to the address at which the voter resides.

The amendments were read.

Senator Hughes submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 2217** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hughes, Chair; Bettencourt, Hall, Birdwell, and J. Hinojosa.

### **SENATE BILL 2018 WITH HOUSE AMENDMENT (Motion In Writing)**

Senator Paxton called **SB 2018** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

#### **Floor Amendment No. 1**

Amend **SB 2018** (house committee report) as follows:

(1) On page 1, strike lines 17 through 19 and substitute the following:

(4) "Foundation" means the OneStar Foundation.

(2) On page 2, line 3, strike "QUALIFICATIONS FOR" and substitute "CERTIFICATION AS".

(3) On page 2, line 4, strike "An organization is" and substitute "The foundation shall certify an organization as".

(4) On page 3, line 1, between "information" and "in", insert "to the foundation".

(5) On page 3, line 16, strike "organization, has fulfilled" and substitute "organization under this section, has complied with".

(6) On page 3, line 17, between "requirements" and "for", insert "under Section 171.804".

(7) On page 3, lines 17 through 18, strike "fulfill the requirements" and substitute "comply with those requirements".

(8) On page 3, lines 21 and 22, strike "state campaign manager and state policy committee" and substitute "foundation".

(9) On page 5, between lines 1 and 2, insert the following:

(c) An eligible organization shall provide to the comptroller a copy of each certificate of contribution provided to an entity under Subsection (b) not later than the 30th day after the date the organization provided the certificate to the entity making the designated contribution.

(10) On page 5, strike lines 3 through 6 and substitute the following:

CREDITS. (a) Subject to Subsection (b), the amount of a taxable entity's credit for a report is equal to the lesser of:

(1) the amount of credit awarded to the entity under Section 171.807; or

(11) On page 5, strike lines 9 through 11, adding Section 171.805(b), Tax Code, and reletter the subsequent subsections of that section and cross-references to those subsections accordingly.

(12) On page 5, line 15, strike "eligible for" and substitute "awarded".

(13) On page 6, strike lines 13 through 15, adding Section 171.807(c), Tax Code, and reletter the subsequent subsections of that section and cross-references to those subsections accordingly.

(14) On page 6, strike lines 17 and 18 and substitute the following:  
greater than the lesser of:

(1) the taxable entity's designated contributions made to eligible organizations during the relevant period; or

(2) \$1 million.

(15) On page 7, between lines 25 and 26, insert the following:

Sec. 171.810. FEES. The foundation may set and charge to an organization a fee in an amount sufficient to cover the foundation's costs to certify the organization as an eligible organization under Section 171.803.

(16) On page 7, line 26, strike "171.810" and substitute "171.811".

(17) On page 8, line 2, strike "171.811" and substitute "171.812".

(18) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_. Section 171.665(a), Tax Code, is amended to read as follows:

(a) This subchapter expires December 31, 2028 [~~2026~~].

The amendment was read.

Senator Paxton submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 2018** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Paxton, Chair; Hughes, J. Hinojosa, A. Hinojosa, and Sparks.



**SENATE BILL 2024 WITH HOUSE AMENDMENTS**  
**(Motion In Writing)**

Senator Perry called **SB 2024** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Floor Amendment No. 1**

Amend **SB 2024** (house committee report) as follows:

(1) On page 1, strike lines 5 and 6, and substitute the following:

SECTION 1. Sections 161.081(1-a)(A) and (B), Health and Safety Code, are amended to read as follows:

(2) On page 1, between lines 15 and 16, insert the following:

(B) The term "e-cigarette" does not include a prescription medical device, prescription medication, or other prescribed substance unrelated to the cessation of smoking.

(3) On page 1, line 21, immediately after the period, insert the following:

The term e-cigarette does not include a prescription medication or other prescribed substance unrelated to the cessation of smoking.

(4) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. It is the intent of the legislature that every provision, section, subsection, sentence, clause, phrase, or word in this Act, and every application of the provisions in this Act to every person, group of persons, or circumstances, is severable from each other. If any application of any provision in this Act to any person, group of persons, or circumstances is found by a court to be invalid for any reason, the remaining applications of that provision to all other persons and circumstances shall be severed and may not be affected.

**Floor Amendment No. 2**

Amend **SB 2024** (house committee printing) as follows:

(1) On page 1, lines 16 and 17, strike "Sections 161.0876(a) and (b), Health and Safety Code, are" and substitute "Section 161.0876, Health and Safety Code, is".

(2) On page 1, strike lines 18 through 21, and substitute the following:

Sec. 161.0876. PROHIBITED E-CIGARETTE PRODUCTS. (a) For purposes of this section, "e-cigarette product" means a consumable liquid solution or other material aerosolized or vaporized for use in an e-cigarette or other device described by Section 161.081(1-a), regardless of whether the solution or material contains nicotine ~~[includes any substance containing nicotine from any source that is intended for use in an e-cigarette]~~.

(3) On page 1, strike line 23 and substitute the following:

advertises, sells, offers for sale, or causes to be sold an e-cigarette or e-cigarette product:

(4) On page 2, strike line 19, and substitute "smart watch case, or flash drive;

(5) Strike page 2, line 25, through page 3, line 1, and substitute the following:

(3) that contains, is mixed with, or is marketed as containing or being mixed with any cannabinoids, alcohol, kratom, kava, mushrooms, or a derivative of any of those items; or

(4) that is not published on the list the comptroller maintains under Section 161.08761.

(c) An offense under this section is a Class A ~~B~~ misdemeanor.

(6) On page 3, strike lines 2 through 9.

(7) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter H, Chapter 161, Health and Safety Code, is amended by adding Section 161.08761 to read as follows:

Sec. 161.08761. MANUFACTURER CERTIFICATION; E-CIGARETTE LIST.

(a) For purposes of this section, "e-cigarette product" means a consumable liquid solution or other material aerosolized or vaporized for use in an e-cigarette or other device described by Section 161.081(1-a), regardless of whether the solution or material contains nicotine.

(b) Each manufacturer of e-cigarettes sold for retail sale, use, or consumption in this state, whether directly or through an importer, distributor, wholesaler, retailer, or similar intermediary, shall annually certify under penalty of perjury, on a form the comptroller prescribes, that:

(1) the manufacturer agrees to comply with this subchapter;

(2) the manufacturer holds for the manufacturer's e-cigarettes a marketing authorization or similar order issued by the United States Food and Drug Administration under 21 U.S.C. Section 387j; and

(3) the e-cigarette product is not wholly or partially manufactured in China.

(c) The comptroller shall publish and maintain on the comptroller's Internet website a current list of e-cigarettes for which a manufacturer has certified compliance under Subsection (b). The list must include for each certified e-cigarette a photograph of the front and back of the e-cigarette.

(d) The comptroller shall adopt rules necessary to implement this section, including rules for approving, registering, and publishing e-cigarettes in the list the comptroller maintains under Subsection (c).

SECTION \_\_\_\_\_. Notwithstanding Section 161.08761, Health and Safety Code, as added by this Act:

(1) the comptroller of public accounts is not required to publish and maintain the list of e-cigarettes required under that section until on and after November 1, 2025; and

(2) a manufacturer is not required to comply with Subsection (b) of that section or the rules the comptroller of public accounts adopts under Subsection (d) of that section until May 31, 2026.

SECTION \_\_\_\_\_. Sections 161.0876(b)(1), (2), and (3), Health and Safety Code, as added by this Act, apply only to an offense committed on or after September 1, 2025. An offense committed before that date is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before September, 1 2025, if any element of the offense occurred before that date.

SECTION \_\_\_\_\_. Section 161.0876(b)(4), Health and Safety Code, as added by this Act, applies only to an offense committed on or after May 31, 2026. An offense committed before that date is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before May 31, 2026, if any element of the offense occurred before that date.

### Floor Amendment No. 3

Amend Amendment No. 2 by Leach to **SB 2024** on page 2 of the amendment by striking lines 21 through 24 and substituting the following:

(2) the manufacturer:

(A) holds for the manufacturer's e-cigarettes a marketing authorization or similar order issued by the United States Food and Drug Administration under 21 U.S.C. Section 387j; or

(B) has timely filed with the United States Food and Drug Administration under 21 U.S.C. Section 387j a premarket tobacco product application for the manufacturer's e-cigarettes that:

(i) is under review by the United States Food and Drug Administration; or

(ii) has received a denial order that is stayed, rescinded, or vacated by the United States Food and Drug Administration or a court order, as applicable; and

### Floor Amendment No. 4

Amend Amendment No. 2 by Leach as follows:

(1) On page 1, line 21, between "(3)" and "that", insert the following:  
that:

(A) was wholly or partly manufactured in China; or

(B) contains any part or component manufactured in China;

(4)

(2) On page 1, line 24, strike "(4)" and substitute "(5)".

(3) On page 2, between lines 2 and 3, add the following appropriately numbered item to the amendment and renumber subsequent items of the amendment accordingly:

( ) On page 1, line 23, between "mushrooms," and "or", insert "tianeptine,"

### Floor Amendment No. 2 on Third Reading

Amend **SB 2024** on third reading by striking added Section 161.08761(b)(3), Health and Safety Code, and substituting the following:

(3) the e-cigarette product is not wholly or partially manufactured in:

(A) China; or

(B) a country designated as a foreign adversary by the United States secretary of commerce under 15 C.F.R. Section 791.4.

The amendments were read.

Senator Perry submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 2024** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Perry, Chair; Hancock, Huffman, J. Hinojosa, and Bettencourt.

### **CONFERENCE COMMITTEE ON HOUSE BILL 145** **(Motion In Writing)**

Senator Schwertner called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 145** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 145** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Schwertner, Chair; King, Kolkhorst, Campbell, and Johnson.

### **CONFERENCE COMMITTEE ON HOUSE BILL 493** **(Motion In Writing)**

Senator Hughes called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 493** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 493** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hughes, Chair; Bettencourt, Johnson, Birdwell, and Parker.

**CONFERENCE COMMITTEE ON HOUSE BILL 2974**  
**(Motion In Writing)**

Senator King called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2974** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2974** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators King, Chair; Sparks, Parker, Perry, and Alvarado.

**GUESTS PRESENTED**

Senator Menéndez was recognized and introduced to the Senate a San Antonio Coalition for Veterans and Families delegation including Executive Director Tony Fuentes, Raz Hernandez, Keven Lomax Sr., Cynthia Fuentes, Johanna Dobbins, Chris Kind, and Marcia Kind.

The Senate welcomed its guests.

**SENATE BILL 650 WITH HOUSE AMENDMENTS**  
**(Motion In Writing)**

Senator West called **SB 650** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Amendment**

Amend **SB 650** by substituting in lieu thereof the following:

**A BILL TO BE ENTITLED**  
**AN ACT**

relating to requiring the use of electronically readable information to verify a purchaser's age in the retail sale of alcoholic beverages.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. This Act shall be known as the Deshawn Jagwan Act.

SECTION 2. Section 109.61, Alcoholic Beverage Code, is amended by adding Subsections (a-1), (a-2), (a-3), (a-4), and (d-1) and amending Subsections (b) and (d) to read as follows:

(a-1) A person shall visually inspect and access electronically readable information on a driver's license, commercial driver's license, or identification certificate for the purpose of verifying a purchaser's age in any retail sale of an alcoholic beverage for off-premises consumption. A person required to access electronically readable information under this subsection may manually enter into an

electronic reader the information on the driver's license, commercial driver's license, or identification certificate if the license or certificate cannot be electronically scanned. This subsection does not apply to:

(1) the retail sale of an alcoholic beverage on the premises of:

(A) the holder of:

- (i) a package store permit;
- (ii) a distiller's and rectifier's permit;
- (iii) a winery permit;
- (iv) a brewer's license;
- (v) a brewpub license; or
- (vi) a mixed beverage permit;

(B) the holder of a food and beverage certificate operating a restaurant on the premises; or

(C) a restaurant;

(2) the retail sale of an alcoholic beverage at a public entertainment facility property, as defined by Section 108.73, during a sporting event, concert, festival, or other similar temporary event at the facility by a permit or license holder authorized to sell alcoholic beverages during the event;

(3) the holder of a carrier permit delivering wine to an ultimate consumer on behalf of the holder of an out-of-state winery direct shipper's permit;

(4) the holder of or an individual contracted with or employed by the holder of a wine only package store permit, local cartage permit, or consumer delivery permit delivering alcoholic beverages to an ultimate consumer as provided by Chapter 24, 43, or 57, as applicable; or

(5) the retail sale of an alcoholic beverage in an original container sealed by the manufacturer where a person picks up the alcoholic beverage at an outdoor area on the retailer's premises and removes the alcoholic beverage from the premises for consumption by an ultimate consumer off the premises.

(a-2) The commission may not take any disciplinary action against the holder of a permit or license issued under this code for a violation of Subsection (a-1) if:

(1) the permit or license holder's failure to access the electronically readable information is a result of a disruption of, interruption of, or inability to access Internet connectivity services or data connectivity services; and

(2) the permit or license holder visually inspected the purchaser's driver's license, commercial driver's license, or identification certificate to verify the purchaser's age.

(a-3) The commission may not take any disciplinary action against the holder of a permit or license to whom Subsection (a-1) applies for selling an alcoholic beverage to a minor if:

(1) the permit or license holder electronically accessed the electronically readable information on the purchaser's driver's license, commercial driver's license, or identification certificate in the manner required under Subsection (a-1); and

(2) the transaction scan device used to electronically access the purchaser's electronically readable information identified the license or certificate as valid and the purchaser as 21 years of age or older on the date of the purchase.

(a-4) The commission shall not take any disciplinary action against the holder of a permit or license issued under this code for a violation of Subsection (a-1) for the retail sale of an alcoholic beverage made before September 1, 2027. This subsection expires September 1, 2028.

(b) A person may not retain information accessed under this section [~~unless the commission by rule requires the information to be retained. The person may not retain the information longer than the commission requires~~].

(d) Except as provided by Subsection (d-1), a [A] person who violates this section commits an offense. An offense under this section is a Class A misdemeanor.

(d-1) It is a defense to prosecution for failure to access electronically readable information on a driver's license, commercial driver's license, or identification certificate as required by Subsection (a-1) that:

(1) the person's failure to access the electronically readable information as required by Subsection (a-1) was caused by a disruption of, interruption of, or inability to access Internet connectivity services or data connectivity services that prevented the person from accessing the information; or

(2) the purchaser was 40 years of age or older on the date of the purchase.

SECTION 3. Not later than September 1, 2027, the Texas Alcoholic Beverage Commission shall adopt rules to implement Section 109.61(a-1), Alcoholic Beverage Code, as added by this Act.

SECTION 4. This Act takes effect September 1, 2025.

### **Floor Amendment No. 1**

Amend **CSSB 650** (house committee report) on page 1, line 15, between "beverage" and "for", by inserting "at a permitted or licensed premises".

The amendments were read.

Senator West submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 650** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators West, Chair; Perry, Menéndez, Flores, and Hall.

### **SENATE BILL 1660 WITH HOUSE AMENDMENT (Motion In Writing)**

Senator Huffman called **SB 1660** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

### **Floor Amendment No. 1**

Amend **SB 1660** (house committee report) as follows:

(1) On page 1, line 6, strike "Subsection (c-1)" and substitute "Subsections (c-1), (i), (j), (k), and (l)".

(2) On page 2, between lines 11 and 12, insert the following:

(i) Before destroying toxicological evidence, an entity or individual charged with storing the evidence shall send notice by certified mail, return receipt requested, of the individual or entity's intent to destroy the evidence to:

(1) the defendant convicted of or child adjudicated as having engaged in conduct constituting the offense for which the evidence was collected; and

(2) the defendant's or child's attorney of record, if applicable, at the address on file with the court for the attorney.

(j) The notice required by Subsection (i) shall be sent to the defendant or child at:

(1) the last known address of the defendant or child, if the defendant or child is not serving a term of confinement; or

(2) the facility where the defendant or child is confined, if the defendant or child is serving a term of confinement.

(k) Notwithstanding Subsection (e) and subject to Subsection (l), an entity or individual charged with storing toxicological evidence may not destroy the evidence before the earlier of:

(1) the 120th day after the date the notice required by Subsection (i) was received by the defendant or child, if the defendant or child is not serving a term of confinement; or

(2) the first anniversary of the date the defendant or child received the notice required by Subsection (i), if the defendant or child is serving a term of confinement.

(l) Notwithstanding any other provision of this article, an entity or individual charged with storing toxicological evidence may not destroy the evidence if the defendant convicted of or child adjudicated as having engaged in conduct constituting the offense for which the evidence was collected, or the defendant's or child's attorney, submits a written objection to the destruction of the evidence to the entity or individual unless the objection is withdrawn in writing.

The amendment was read.

Senator Huffman submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 1660** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Huffman, Chair; Flores, J. Hinojosa, Campbell, and Nichols.



**MESSAGE FROM THE GOVERNOR**

The following Message from the Governor was read and was referred to the Committee on Nominations:

May 29, 2025

Austin, Texas

TO THE SENATE OF THE EIGHTY-NINTH LEGISLATURE, REGULAR SESSION:

On January 22, 2025, I submitted the name of Cynthia "Cindy" Lyons Fields for appointment to the Texas Lottery Commission for a term to expire February 1, 2029.

Because she resigned, I hereby withdraw her nomination.

Respectfully submitted,

/s/Greg Abbott

Governor

**NOMINATION RETURNED****(Motion In Writing)**

Senator Campbell submitted the following Motion In Writing:

Mr. President:

I move that the nomination of Ms. Cynthia Lyons Fields to the Texas Lottery Commission be withdrawn from the Committee on Nominations, and I further move that the nomination be returned to the Governor pursuant to this request.

CAMPBELL

The Motion In Writing was read and prevailed without objection.

**CONFERENCE COMMITTEE ON HOUSE BILL 3071****(Motion In Writing)**

Senator Hancock called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3071** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3071** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hancock, Chair; Birdwell, Hughes, Alvarado, and Flores.

**CONCLUSION OF MORNING CALL**

The Presiding Officer at 3:56 p.m. announced the conclusion of morning call.

**HOUSE BILL 20 ON SECOND READING**

On motion of Senator Schwertner and by unanimous consent, the regular order of business, Senate Rule 7.25, and Senate Rule 5.14 were suspended to take up for consideration **HB 20** at this time on its second reading and third reading:

**HB 20**, Relating to establishing the Applied Sciences Pathway program.

The bill was read second time.

Senator Schwertner offered the following amendment to the bill:

**Floor Amendment No. 1**

Amend **HB 20** (senate committee report) in SECTION 1 of the bill as follows:

(1) In added Section 29.914(d), Education Code (page 2, line 19), strike "commissioner" and substitute "Texas Higher Education Coordinating Board".

(2) Strike added Section 29.914(d)(2)(A)(ii), Education Code (page 2, lines 20 and 21), and substitute the following:

(ii) a credential recognized as a credential of value by Texas Higher Education Coordinating Board rule and approved by the commissioner for purposes of the program; and

(3) In added Section 29.914(d)(4), Education Code (page 2, line 28), strike "articulation" and substitute "institutional".

(4) In added Section 29.914(d)(4), Education Code (page 2, line 30), between "education" and the underlined semicolon, insert "that meets the requirements for a dual credit partnership adopted by Texas Higher Education Coordinating Board rule".

(5) In added Section 29.914(e), Education Code (page 2, line 33), strike "The" and substitute "Except as provided by Subsection (e-1), the".

(6) Immediately following added Section 29.914(e), Education Code (page 2, between lines 40 and 41), insert the following:

(e-1) Before a student may earn substituted credit under Subsection (e) for a secondary-level course in a subject described by Section 28.025(b-1)(1), (2), (3), or (4), the student must perform satisfactorily on each end-of-course assessment instrument required for courses in the corresponding subject that precede the course for which the student seeks substituted credit in the district's prescribed course sequence.

(7) Immediately following added Section 29.914(i), Education Code (page 2, between lines 60 and 61), insert the following:

(j) This section expires September 1, 2031.

The amendment to **HB 20** was read and was adopted without objection.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

**HB 20** as amended was passed to third reading without objection.

All Members are deemed to have voted "Yea" on the passage to third reading.

**HOUSE BILL 20 ON THIRD READING**

Senator Schwertner moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 20** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**HOUSE BILL 2594 ON SECOND READING**

On motion of Senator Creighton and by unanimous consent, the regular order of business, Senate Rule 7.25, and Senate Rule 5.14 were suspended to take up for consideration **HB 2594** at this time on its second reading and third reading:

**HB 2594**, Relating to the venue for the prosecution of certain criminal conduct involving theft.

The bill was read second time and was passed to third reading without objection.

All Members are deemed to have voted "Yea" on the passage to third reading.

**HOUSE BILL 2594 ON THIRD READING**

Senator Creighton moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 2594** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**BIRTHDAY GREETINGS EXTENDED**

Senator Campbell was recognized and, on behalf of the Senate, extended birthday greetings to Senator Schwertner.

**HOUSE CONCURRENT RESOLUTION 167**

The Presiding Officer laid before the Senate the following resolution:

WHEREAS, House Bill No. 1314 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains a typographical error that should be corrected; now, therefore, be it

RESOLVED by the 89th Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to make the following correction to the enrolled version of House Bill No. 1314:

In SECTION 2 of the bill, in added Section 324.101(d-1), Health and Safety Code, strike "Subsection (a)" and substitute "Subsection (d)".

HUGHES

**HCR 167** was read.

On motion of Senator Hughes and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

### MESSAGE FROM THE HOUSE

#### HOUSE CHAMBER

Austin, Texas

Thursday, May 29, 2025 - 2

The Honorable President of the Senate  
Senate Chamber  
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

**HCR 168** Tepper

Instructing the enrolling clerk of the house to make corrections in H.B. No. 126.

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

**HB 2** (122 Yeas, 13 Nays, 1 Present, not voting)

**HB 24** (104 Yeas, 30 Nays, 1 Present, not voting)

**HB 26** (130 Yeas, 9 Nays, 1 Present, not voting)

**HB 144** (110 Yeas, 18 Nays, 1 Present, not voting)

**HB 1397** (141 Yeas, 0 Nays, 1 Present, not voting)

**HB 2038** (108 Yeas, 31 Nays, 1 Present, not voting)

**HB 3133** (119 Yeas, 19 Nays, 1 Present, not voting)

**HB 3233** (137 Yeas, 0 Nays, 1 Present, not voting)

**HB 3966** (89 Yeas, 44 Nays, 1 Present, not voting)

**HB 5560** (125 Yeas, 4 Nays, 3 Present, not voting)

**HB 5680** (90 Yeas, 47 Nays, 1 Present, not voting)

**HB 5696** (99 Yeas, 36 Nays, 1 Present, not voting)

THE HOUSE HAS REFUSED TO CONCUR IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

**HB 4**

House Conferees: Buckley - Chair/Ashby/Bernal/Landgraf/Metcalf

**HB 2067**

House Conferees: Paul - Chair/Barry/Dean/González, Jessica/Wharton

**HB 2885**

House Conferees: Gerdes - Chair/Harris/Longoria/Phelan/Walle

**HB 3595**

House Conferees: Barry - Chair/Ashby/Guerra/King/Wharton

**HB 5138**

House Conferees: Shaheen - Chair/Bucy/Darby/Geren/Turner

THE HOUSE HAS GRANTED THE REQUEST OF THE SENATE FOR THE APPOINTMENT OF A CONFERENCE COMMITTEE ON THE FOLLOWING MEASURES:

**SB 8**

House Conferees: Spiller - Chair/Bell, Keith/Louderback/Romero/Tepper

**SB 12**

House Conferees: Leach - Chair/Buckley/Hull/Metcalf/Tinderholt

**SB 37**

House Conferees: Shaheen - Chair/Howard/Lambert/Paul/Wilson

**SB 379**

House Conferees: Gerdes - Chair/Fairly/Hull/Manuel/Morales, Eddie

**SB 1566**

House Conferees: Darby - Chair/Anchía/Bell, Cecil/King/Smithee

**SB 2878**

House Conferees: Leach - Chair/Dyson/Johnson/Landgraf/Moody

Respectfully,

/s/Stephen Brown,

Chief Clerk

House of Representatives

**SENATE BILL 9 WITH HOUSE AMENDMENTS**

Senator Huffman called **SB 9** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

**Amendment**

Amend **SB 9** by substituting in lieu thereof the following:

**A BILL TO BE ENTITLED**

**AN ACT**

relating to the confinement or release of defendants before trial or sentencing, including regulating charitable bail organizations, and the conditions of and procedures for setting bail and reviewing bail decisions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 16, Code of Criminal Procedure, is amended by adding Article 16.24 to read as follows:

Art. 16.24. REPORTING OF CONDITIONS OF PRETRIAL INTERVENTION PROGRAM. As soon as practicable but not later than the 10th business day after the date a defendant enters a pretrial intervention program, the attorney representing the state, or the attorney's designee who is responsible for monitoring the defendant's compliance with the conditions of the program, shall enter information relating to the conditions of the program into the appropriate database of the statewide law enforcement information system maintained by the Department of Public Safety or modify or remove information, as appropriate.

SECTION 2. Article 17.021, Code of Criminal Procedure, is amended by amending Subsection (b) and adding Subsections (c-1), (h), (h-1), and (i) to read as follows:

(b) The public safety report system must:

(1) state the requirements for setting bail under Article 17.15 and list each factor provided by Article 17.15(a);

(2) provide the defendant's name and date of birth or, if impracticable, other identifying information, the cause number of the case, if available, and the offense for which the defendant was arrested;

(3) provide information on the eligibility of the defendant for a personal bond;

(4) provide information regarding the applicability of any required or discretionary bond conditions;

(5) provide, in summary form, the criminal history of the defendant, including information regarding ~~any~~:

(A) previous misdemeanor or felony convictions;

(B) pending charges;

(C) any previous sentences imposing a term of confinement;

(D) any previous convictions or pending charges for:

(i) offenses that are offenses involving violence as defined by Article 17.03; or

(ii) offenses involving violence directed against a peace officer; ~~and~~

(E) previous failures of the defendant to appear in court following release on bail;

(F) whether the defendant is currently on community supervision, parole, or mandatory supervision for an offense;

(G) whether the defendant is currently released on bail or participating in a pretrial intervention program and any conditions of that release or participation;

(H) outstanding warrants for the defendant's arrest that have been entered into the National Crime Information Center database or the Texas Crime Information System established under Section 411.0541, Government Code, including a warrant issued under Article 42A.751 of this code or Section 508.251, Government Code; and

(I) any current protective orders, as defined by Section 72.151, Government Code, for which the defendant is the subject; and

(6) be designed to collect and maintain the information provided on a bail form submitted under Section 72.038, Government Code.

(c-1) On request by an attorney representing the state, the office shall provide to the attorney access to the public safety report system for the purpose of allowing the attorney to access a bail form submitted to the office under Section 72.038, Government Code.

(h) The public safety report system must be configured to allow a county or municipality to integrate with the public safety report system the jail records management system and case management systems used by the county.

(h-1) The office may provide grants to reimburse counties and municipalities for costs related to integrating the systems described by Subsection (h). The office is not required to provide a grant under this subsection unless the office is appropriated money for that purpose. This subsection expires August 31, 2027.

(i) The office may modify the public safety report system to incorporate technological advances to the system's features regarding notices and to any other processes the office determines will enhance the system's availability to protect the public.

SECTION 3. Article 17.022, Code of Criminal Procedure, is amended by adding Subsection (g) to read as follows:

(g) In the manner described by this article, a magistrate may order, prepare, or consider a public safety report in setting bail for a defendant who is not in custody at the time the report is ordered, prepared, or considered.

SECTION 4. Chapter 17, Code of Criminal Procedure, is amended by adding Article 17.0221 to read as follows:

Art. 17.0221. For purposes of determining whether clear and convincing evidence exists as described by Section 11d, Article I, Texas Constitution, the term "clear and convincing evidence" means the measure or degree of proof that will produce in the mind of the trier of fact a firm belief or conviction as to the truth of the allegations sought to be established.

SECTION 5. The heading to Article 17.027, Code of Criminal Procedure, is amended to read as follows:

Art. 17.027. RELEASE ON BAIL OF DEFENDANT CHARGED WITH FELONY OFFENSE [~~COMMITTED WHILE ON BAIL~~].

SECTION 6. Article 17.027, Code of Criminal Procedure, is amended by amending Subsection (a) and adding Subsections (a-1), (a-2), (a-3), (c), and (d) to read as follows:

(a) Notwithstanding any other law:

(1) if a defendant is taken before a magistrate for [~~charged with~~] committing an offense punishable as a felony while released on bail [~~in a pending case~~] for another offense punishable as a felony and the subsequent offense was committed in the same county as the previous offense, the defendant may be released on bail only by:

(A) the court before whom the case for the previous offense is pending;

or

(B) another court designated in writing by the court described by Paragraph (A); and

(2) if a defendant is taken before a magistrate for ~~[charged with]~~ committing an offense punishable as a felony while released on bail for another ~~[pending]~~ offense punishable as a felony and the subsequent offense was committed in a different county than the previous offense, electronic notice of the charge must be ~~[promptly]~~ given to the individual designated to receive electronic notices for the county in which the previous offense was committed, not later than the next business day after the date the defendant is taken before the magistrate, for purposes of the court specified by Subdivision (1) ~~[for purposes of reevaluating the bail decision,]~~ determining whether any bail conditions were violated[?] or taking any other applicable action such as an action described by Subsection (a-1).

(a-1) If a defendant is taken before a magistrate for committing an offense punishable as a felony while released on bail for another offense punishable as a felony, the court before which the case for the previous offense is pending shall consider whether to revoke or modify the terms of the previous bond or to otherwise reevaluate the previous bail decision.

(a-2) A magistrate appointed under Chapter 54, Government Code, in a county with a population of 200,000 or more may not release on bail a defendant who:

(1) is charged with committing an offense punishable as a felony if the defendant:

(A) was released on bail, parole, or community supervision for an offense punishable as a felony at the time of the instant offense;

(B) has previously been finally convicted of two or more offenses punishable as a felony and for which the defendant was imprisoned in the Texas Department of Criminal Justice; or

(C) is subject to an immigration detainer issued by United States Immigration and Customs Enforcement; or

(2) is charged with committing an offense under the following provisions of the Penal Code:

(A) Section 19.02 (murder);

(B) Section 19.03 (capital murder);

(C) Section 20.04 (aggravated kidnapping); or

(D) Section 22.021 (aggravated sexual assault).

(a-3) An order granting bail signed by a magistrate appointed under Chapter 54, Government Code, must include the names of each individual who appointed the magistrate and state that the magistrate was appointed by those individuals.

(c) The local administrative district judge for each county shall designate an individual to receive electronic notices under Subsection (a)(2). The county shall ensure that the name and contact information of the individual designated to receive notices under this subsection are included in the public safety report system developed under Article 17.021.

(d) An individual designated under Subsection (c) who receives an electronic notice under Subsection (a) shall promptly provide the notice to the court specified by Subsection (a)(1), to the district clerk, and to the attorney representing the state and the defendant's attorney, if known, in the pending case for the offense for which the defendant was initially released on bail. A notice provided under this subsection does not constitute an ex parte communication.



SECTION 7. Chapter 17, Code of Criminal Procedure, is amended by adding Article 17.029 to read as follows:

Art. 17.029. REVIEW OF BAIL DECISION. (a) This article applies only to a bail decision:

(1) regarding a defendant charged with or arrested for an offense punishable as a felony; and

(2) that was made under Article 17.028 by the magistrate of a court that does not have jurisdiction to try the offense with which the defendant is charged.

(b) Notwithstanding any other law, a district judge in any county in which the offense for which the person was arrested will be tried or in any county in which the charge for that offense will be filed has jurisdiction to modify a bail decision to which this article applies, regardless of whether the defendant has been previously indicted or an information has been previously filed for the offense for which the defendant was arrested.

(c) The local administrative judge for each county shall establish a procedure for the district clerk to notify each district judge in the county that the district clerk received a request to review a bail decision under this article.

(d) A district judge must review a bail decision as soon as practicable but not later than the next business day after the date a request to review the bail decision is filed with the district clerk by an attorney representing the state.

(e) A district judge reviewing a bail decision under this article shall comply with Article 17.09 and shall consider the facts presented and the rules established by Article 17.15(a) in setting the defendant's bail.

(f) If a district judge modifies a bail decision under this article to increase the amount of bail or to require additional conditions of bail for a defendant who is not in custody, the judge shall:

(1) issue a summons for the defendant to appear before the judge; and

(2) give the defendant a reasonable opportunity to appear before issuing a warrant for the defendant's arrest.

SECTION 8. Articles 17.03(a) and (b-2), Code of Criminal Procedure, are amended to read as follows:

(a) Except as otherwise provided by this chapter [~~Subsection (b) or (b-1)~~], a magistrate may, in the magistrate's discretion, release the defendant on personal bond without sureties or other security.

(b-2) Except as provided by Articles 15.21, 17.032, 17.033, and 17.151, a defendant may not be released on personal bond if the defendant:

(1) is charged with:

(A) an offense involving violence; or

(B) an offense under:

(i) Section 19.02(b)(4), Penal Code (murder as a result of manufacture or delivery of a controlled substance in Penalty Group 1-B);

(ii) Section 22.07, Penal Code (terroristic threat), if the offense is punishable as a Class A misdemeanor or any higher category of offense;

(iii) Section 25.07, Penal Code (violation of certain court orders or conditions of bond in a family violence, child abuse or neglect, sexual assault or abuse, indecent assault, stalking, or trafficking case); or

(iv) Section 46.04(a), Penal Code (unlawful possession of firearm);

or

(2) while released on bail, parole, or community supervision for an offense involving violence, is charged with committing:

(A) any offense punishable as a felony; or

(B) an offense under the following provisions of the Penal Code:

(i) Section 22.01(a)(1) (assault);

(ii) Section 22.05 (deadly conduct); or

(iii) ~~[Section 22.07 (terroristic threat); or~~

~~[(iv)]~~ Section 42.01(a)(7) or (8) (disorderly conduct involving firearm).

SECTION 9. Articles 17.071(a), (f), (h), and (k), Code of Criminal Procedure, are amended to read as follows:

(a) In this article:

(1) "Charitable~~[-, charitable]~~ bail organization" means a person who accepts and uses donations from the public to deposit money with a court in the amount of a defendant's bail bond. The term does not include:

(A) ~~[(1)]~~ a person accepting donations with respect to a defendant who is a member of the person's family, as determined under Section 71.003, Family Code; or

(B) ~~[(2)]~~ a nonprofit corporation organized for a religious purpose.

(2) "Office" means the Office of Court Administration of the Texas Judicial

System.

(f) Not later than the 10th day of each month, a charitable bail organization shall submit to the office and~~[ ]~~ to the sheriff of each county in which the organization files an affidavit under Subsection (e), a report that includes the following information for each defendant for whom the organization paid a bail bond in the preceding calendar month:

(1) the name of the defendant;

(2) the cause number of the case;

(3) each charge for which the bond was paid;

(4) the category of offense for each charge for which the bond was paid;

(5) the amount of the bond paid;

(6) the county in which the applicable charge is pending, if different from the county in which the bond was paid;

(7) ~~and~~

[(4)] any dates on which the defendant has failed to appear in court as required for the charge for which the bond was paid; and

(8) whether a bond forfeiture has occurred in connection with the charge for which the bond was paid.

(h) If the office has reason to believe that a charitable bail organization may have paid one or more bonds in violation of this article, the office shall report that information to the sheriff of the county in which the suspected violation occurred. The sheriff of that ~~[a]~~ county may suspend a charitable bail organization from paying bail bonds in the county for a period not to exceed one year if the sheriff determines the organization has paid one or more bonds in violation of this article and the

organization has received a warning from the sheriff in the preceding 12-month period for another payment of bond made in violation of this article. The sheriff shall report the suspension to the office [~~Office of Court Administration of the Texas Judicial System~~].

(k) Not later than December 1 of each year, the office [~~Office of Court Administration of the Texas Judicial System~~] shall prepare and submit, to the governor, lieutenant governor, speaker of the house of representatives, and presiding officers of the standing committees of each house of the legislature with primary jurisdiction over the judiciary, a report regarding the information submitted to the office under Subsections (f) [~~(f-1)~~] and (h) for the preceding state fiscal year.

SECTION 10. Section 3, Article 17.09, Code of Criminal Procedure, is amended to read as follows:

Sec. 3. Provided that whenever, during the course of the action, and regardless of whether the defendant has been previously released under Article 17.151, the judge or magistrate in whose court such action is pending finds that the bond is defective, excessive or insufficient in amount, or that the sureties, if any, are not acceptable, or for any other good and sufficient cause, such judge or magistrate may, either in term-time or in vacation, order the accused to be rearrested, and require the accused to give another bond in such amount as the judge or magistrate may deem proper. When such bond is so given and approved, the defendant shall be released from custody.

SECTION 11. Chapter 17, Code of Criminal Procedure, is amended by adding Article 17.092 to read as follows:

Art. 17.092. REDUCTION IN AMOUNT OR CONDITIONS OF BOND PROHIBITED IN CERTAIN CIRCUMSTANCES. A magistrate described by Articles 2A.151(5)-(14) may not reduce the amount or conditions of bond set by the judge of a district court, including the judge of a district court in another county.

SECTION 12. Article 17.21, Code of Criminal Procedure, is amended to read as follows:

Art. 17.21. BAIL IN FELONY. (a) In cases of felony, when the accused is in custody of the sheriff or other officer, and the court before which the prosecution is pending is in session in the county where the accused is in custody, the court shall fix the amount of bail, if it is a bailable case and determine if the accused is eligible for a personal bond; and the sheriff or other peace officer, unless it be the police of a city, or a jailer licensed under Chapter 1701, Occupations Code, is authorized to take a bail bond of the accused in the amount as fixed by the court, to be approved by such officer taking the same, and will thereupon discharge the accused from custody. The defendant and the defendant's sureties are not required to appear in court.

(b) Notwithstanding Subsection (a), before releasing on bail a defendant charged with an offense punishable as a felony, a magistrate shall ensure that:

(1) the defendant has appeared before the magistrate; and

(2) the magistrate has considered the public safety report prepared under

Article 17.022 for the defendant.

SECTION 13. Chapter 27, Code of Criminal Procedure, is amended by adding Article 27.20 to read as follows:

Art. 27.20. CONFINEMENT BEFORE SENTENCING ON PLEA OF GUILTY FOR CERTAIN OFFENSES. If a defendant enters a plea of guilty for an offense listed in Article 42A.054(a) punishable as a felony of the second degree or any higher category of offense, the court shall order that the defendant be taken into custody and confined until the defendant is sentenced.

SECTION 14. Article 42.01, Code of Criminal Procedure, is amended by adding Section 17 to read as follows:

Sec. 17. In addition to the information described by Section 1, the judgment must reflect affirmative findings entered pursuant to Article 42.0195.

SECTION 15. Chapter 42, Code of Criminal Procedure, is amended by adding Article 42.0195 to read as follows:

Art. 42.0195. FINDING REGARDING FAILURE TO APPEAR. In the disposition of a criminal case involving any offense punishable as a Class B misdemeanor or any higher category of offense, the judge shall make an affirmative finding of fact and enter the affirmative finding in the judgment or dismissal order in the case if the judge determines that the defendant wilfully failed to appear after the defendant was released from custody for the offense. The affirmative finding must include the number of times the defendant failed to appear for the offense.

SECTION 16. Article 44.01, Code of Criminal Procedure, is amended by amending Subsections (a) and (g) and adding Subsections (f-1) and (f-2) to read as follows:

(a) The state is entitled to appeal an order of a court in a criminal case if the order:

- (1) dismisses an indictment, information, or complaint or any portion of an indictment, information, or complaint;
- (2) arrests or modifies a judgment;
- (3) grants a new trial;
- (4) sustains a claim of former jeopardy;
- (5) grants a motion to suppress evidence, a confession, or an admission, if jeopardy has not attached in the case and if the prosecuting attorney certifies to the trial court that the appeal is not taken for the purpose of delay and that the evidence, confession, or admission is of substantial importance in the case; ~~or~~

(6) is issued under Chapter 64; or

(7) grants bail, in an amount considered insufficient by the prosecuting attorney, to a defendant who:

(A) is charged with an offense under any of the following sections of the Penal Code:

(i) Section 19.02 (murder);

(ii) Section 19.03 (capital murder);

(iii) Section 22.02 (aggravated assault) if:

(a) the offense was committed under Subsection (a)(1); or

(b) the defendant used a firearm, club, knife, or explosive weapon, as those terms are defined by Section 46.01, Penal Code, during the commission of the assault;

(iv) Section 20.04 (aggravated kidnapping);

(v) Section 29.03 (aggravated robbery);

- (vi) Section 22.021 (aggravated sexual assault);
- (vii) Section 21.11 (indecent with a child);
- (viii) Section 20A.02 (trafficking of persons); or
- (ix) Section 20A.03 (continuous trafficking of persons); or

(B) is charged with an offense punishable as a felony and was released on bail for an offense punishable as a felony at the time the instant offense was committed.

(f-1) The court of appeals shall expedite an appeal under Subsection (a)(7) and shall issue an order in the appeal not later than the 20th day after the date the appeal is filed.

(f-2) In an appeal filed under Subsection (a)(7), a court of appeals may:

- (1) affirm or modify the bail amount set by the court; or
- (2) reject the bail amount set by the court and remand the case to the court, with or without guidance, for modification of the bail amount.

(g) If the state appeals pursuant to this article and the defendant is on bail, the defendant ~~[he]~~ shall be permitted to remain at large on the existing bail. If the defendant is in custody, the defendant ~~[he]~~ is entitled to reasonable bail, as provided by law, unless the appeal is from an order which would:

- (1) terminate the prosecution, in which event the defendant is entitled to release on personal bond; or
- (2) grant bail in an amount considered insufficient by the prosecuting attorney, in which event the defendant shall be held in custody during the pendency of the appeal.

SECTION 17. Article 56A.051(a), Code of Criminal Procedure, is amended to read as follows:

(a) A victim, guardian of a victim, or close relative of a deceased victim is entitled to the following rights within the criminal justice system:

- (1) the right to receive from a law enforcement agency adequate protection from harm and threats of harm arising from cooperation with prosecution efforts;
- (2) the right to have the magistrate consider the safety of the victim or the victim's family in setting the amount of bail for the defendant;
- (3) if requested, the right to be informed in the manner provided by Article 56A.0525:

(A) by the attorney representing the state of relevant court proceedings, including appellate proceedings, and to be informed if those proceedings have been canceled or rescheduled before the event; and

(B) by an appellate court of the court's decisions, after the decisions are entered but before the decisions are made public;

(4) when requested, the right to be informed in the manner provided by Article 56A.0525:

(A) by a peace officer concerning the defendant's right to bail and the procedures in criminal investigations; and

(B) by the office of the attorney representing the state concerning:

(i) the general procedures in the criminal justice system, including general procedures in guilty plea negotiations and arrangements, restitution, and the appeals and parole process; and

(ii) whether the defendant has fully complied with any conditions of the defendant's bail;

(5) the right to provide pertinent information to a community supervision and corrections department conducting a presentencing investigation concerning the impact of the offense on the victim and the victim's family by testimony, written statement, or any other manner before any sentencing of the defendant;

(6) the right to receive information, in the manner provided by Article 56A.0525:

(A) regarding compensation to victims of crime as provided by Chapter 56B, including information related to the costs that may be compensated under that chapter and the amount of compensation, eligibility for compensation, and procedures for application for compensation under that chapter;

(B) for a victim of a sexual assault, regarding the payment under Subchapter G for a forensic medical examination; and

(C) when requested, providing a referral to available social service agencies that may offer additional assistance;

(7) the right to:

(A) be informed, on request, and in the manner provided by Article 56A.0525, of parole procedures;

(B) participate in the parole process;

(C) provide to the board for inclusion in the defendant's file information to be considered by the board before the parole of any defendant convicted of any offense subject to this chapter; and

(D) be notified in the manner provided by Article 56A.0525, if requested, of parole proceedings concerning a defendant in the victim's case and of the defendant's release;

(8) the right to be provided with a waiting area, separate or secure from other witnesses, including the defendant and relatives of the defendant, before testifying in any proceeding concerning the defendant; if a separate waiting area is not available, other safeguards should be taken to minimize the victim's contact with the defendant and the defendant's relatives and witnesses, before and during court proceedings;

(9) the right to the prompt return of any of the victim's property that is held by a law enforcement agency or the attorney representing the state as evidence when the property is no longer required for that purpose;

(10) the right to have the attorney representing the state notify the victim's employer, if requested, that the victim's cooperation and testimony is necessary in a proceeding that may require the victim to be absent from work for good cause;

(11) the right to request victim-offender mediation coordinated by the victim services division of the department;

(12) the right to be informed, in the manner provided by Article 56A.0525, of the uses of a victim impact statement and the statement's purpose in the criminal justice system as described by Subchapter D, to complete the victim impact statement, and to have the victim impact statement considered:

(A) by the attorney representing the state and the judge before sentencing or before a plea bargain agreement is accepted; and

(B) by the board before a defendant is released on parole;

(13) for a victim of an assault or sexual assault who is younger than 17 years of age or whose case involves family violence, as defined by Section 71.004, Family Code, the right to have the court consider the impact on the victim of a continuance requested by the defendant; if requested by the attorney representing the state or by the defendant's attorney, the court shall state on the record the reason for granting or denying the continuance; and

(14) if the offense is a capital felony, the right to:

(A) receive by mail from the court a written explanation of defense-initiated victim outreach if the court has authorized expenditures for a defense-initiated victim outreach specialist;

(B) not be contacted by the victim outreach specialist unless the victim, guardian, or relative has consented to the contact by providing a written notice to the court; and

(C) designate a victim service provider to receive all communications from a victim outreach specialist acting on behalf of any person.

SECTION 18. Section 72.038, Government Code, is amended by adding Subsections (b-1) and (c-1) and amending Subsection (c) to read as follows:

(b-1) A person who, under the authority of a standing order related to bail, releases on bail a defendant who is charged with an offense punishable as a Class B misdemeanor or any higher category of offense shall complete the form required under this section.

(c) The person setting bail, an employee of the court that set the defendant's bail, or an employee of the county in which the defendant's bail was set must, on completion of the form required under this section, promptly but not later than 48 ~~72~~ hours after the time the defendant's bail is set provide the form electronically to the office through the public safety report system.

(c-1) The office shall provide to the elected district attorney in each county an electronic copy of the form submitted to the office under Subsection (c) for each defendant whose bail is set in the county for an offense involving violence, as defined by Article 17.03, Code of Criminal Procedure. An elected district attorney shall provide an e-mail address to the office for the purpose of receiving a form as provided by this subsection.

SECTION 19. Section 51A.003(b), Human Resources Code, is amended to read as follows:

(b) The notice adopted under this section must include the following in both English and Spanish:

(1) a statement that it is a criminal offense for any person, including a member of the family or former member of the family, to cause physical injury or harm to a victim or to engage in conduct constituting stalking, harassment, or terroristic threat toward a victim;

(2) a list of agencies and social organizations that the victim may contact for assistance with safety planning, shelter, or protection;

(3) contact information for:

(A) the National Domestic Violence Hotline;

(B) victim support services at the Department of Public Safety; and

(C) the commission's family violence program; and  
 (4) information regarding the legal rights of a victim, including information regarding:

(A) the filing of criminal charges and obtaining a protective order or a magistrate's order for emergency protection; ~~[and]~~

(B) the ability of a tenant who is a victim of family violence to vacate a dwelling and terminate a residential lease; and

(C) the ability of the victim to provide information to the local prosecutor that will be helpful to a magistrate setting bail if the person committing the offense is arrested.

SECTION 20. Article 17.071(f-1), Code of Criminal Procedure, is repealed.

SECTION 21. As soon as practicable but not later than October 1, 2025, the Texas Supreme Court shall adopt rules necessary to implement Article 44.01(f-1), Code of Criminal Procedure, as added by this Act.

SECTION 22. The change in law made by this Act applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 23. (a) Except as otherwise provided by this section, this Act takes effect September 1, 2025.

(b) The following provisions, as added by this Act, take effect January 1, 2026:

- (1) Article 16.24, Code of Criminal Procedure;
- (2) Articles 17.021(c-1), (h), and (h-1), Code of Criminal Procedure;
- (3) Articles 17.027(c) and (d), Code of Criminal Procedure; and
- (4) Section 72.038(c-1), Government Code.

(c) The following provisions take effect April 1, 2026:

- (1) Article 17.021(b), Code of Criminal Procedure, as amended by this Act;
- (2) Article 17.027(a), Code of Criminal Procedure, as amended by this Act;

and

(3) Article 17.027(a-1), Code of Criminal Procedure, as added by this Act.

(d) Section 4 of this Act takes effect January 1, 2026, but only if the constitutional amendment proposed by the 89th Legislature, Regular Session, 2025, requiring the denial of bail under certain circumstances to persons accused of certain offenses punishable as a felony is approved by the voters. If that amendment is not approved by the voters, Section 4 of this Act has no effect.

### Floor Amendment No. 1

Amend CSSB 9 (house committee report) as follows:

(1) On page 3, lines 20 through 21, strike "with the public safety report system".  
 (2) On page 3, line 22, between "county" and the underlined period, insert "with the public safety report system".

(3) Strike page 4, lines 11 through 18, and renumber subsequent SECTIONS of the bill accordingly.

(4) On page 13, line 20, immediately following "GUILTY", insert "OR NOLO CONTENDERE".



(5) On page 13, line 21, strike "enters a plea of guilty" and substitute "is adjudged guilty after entering a plea of guilty or nolo contendere".

(6) On page 13, line 23, between "offense" and the underlined comma, insert "and for which the defendant is not eligible for community supervision under Article 42A.055 as provided by Article 42A.056".

(7) Strike page 16, lines 6 through 8, and substitute the following:

(f-1) In an appeal filed under Subsection (a)(7), a court of appeals shall:

(1) conduct a de novo review of all issues presented;

(2) expedite the appeal; and

(3) issue an order not later than the 20th day after the date the appeal is

filed.

(8) Strike page 23, line 26, through page 24, line 4.

### **Floor Amendment No. 3**

Amend **CSSB 9** (house committee report) on page 6, line 3, by striking "in a county with a population of 200,000 or more".

The amendments were read.

Senator Huffman moved to concur in the House amendments to **SB 9**.

The motion prevailed by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Gutierrez, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, Johnson, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Cook, Eckhardt.

### **SENATE BILL 40 WITH HOUSE AMENDMENT**

Senator Huffman called **SB 40** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

### **Amendment**

Amend **SB 40** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED

AN ACT

relating to the use by a political subdivision of public funds to pay bail bonds; authorizing injunctive relief.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 140, Local Government Code, is amended by adding Section 140.014 to read as follows:

Sec. 140.014. RESTRICTION ON USE OF PUBLIC FUNDS BY POLITICAL SUBDIVISIONS TO PAY BAIL BONDS. (a) A political subdivision may not spend public funds to pay a nonprofit organization that accepts and uses donations from the public to deposit money with a court in the amount of a defendant's bail bond.

(b) If a political subdivision engages in an activity prohibited by Subsection (a), a taxpayer or resident of the political subdivision is entitled to appropriate injunctive relief to prevent further activity prohibited by that subsection and further payment of public funds related to that activity.

(c) A party that prevails in an action under Subsection (b) is entitled to recover the party's reasonable attorney's fees and costs.

SECTION 2. This Act takes effect September 1, 2025.

The amendment was read.

Senator Huffman moved to concur in the House amendment to **SB 40**.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, Johnson, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Cook, Eckhardt, Gutierrez.

### **SENATE JOINT RESOLUTION 5 WITH HOUSE AMENDMENTS**

Senator Huffman called **SJR 5** from the President's table for consideration of the House amendments to the resolution.

The Presiding Officer laid the resolution and the House amendments before the Senate.

#### **Amendment**

Amend **SJR 5** by substituting in lieu thereof the following:

#### **A JOINT RESOLUTION**

proposing a constitutional amendment requiring the denial of bail under certain circumstances to persons accused of certain offenses punishable as a felony.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Article I, Texas Constitution, is amended by adding Section 11d to read as follows:

Sec. 11d. (a) This section applies only to a person accused of committing one or more of the following offenses:

- (1) murder;
- (2) capital murder;
- (3) aggravated assault if the person:

(A) caused serious bodily injury, as that term is defined by general law, to another; or

(B) used a firearm, club, knife, or explosive weapon, as those terms are defined by general law, during the commission of the assault;

- (4) aggravated kidnapping;
- (5) aggravated robbery;
- (6) aggravated sexual assault;
- (7) indecency with a child;
- (8) trafficking of persons; or

(9) continuous trafficking of persons.

(b) A person to whom this section applies shall be denied bail pending trial if the attorney representing the state demonstrates by clear and convincing evidence after a hearing that the granting of bail is insufficient to reasonably:

(1) prevent the person's wilful nonappearance in court; or

(2) ensure the safety of the community, law enforcement, and the victim of the alleged offense.

(c) A judge or magistrate who grants a person bail in accordance with this section shall:

(1) set bail and impose conditions of release necessary only to reasonably:

(A) prevent the person's wilful nonappearance in court; and

(B) ensure the safety of the community, law enforcement, and the victim of the alleged offense; and

(2) prepare a written order that includes findings of fact and a statement explaining the judge's or magistrate's justification for the grant and the determinations required by this section.

(d) This section may not be construed to:

(1) limit any right a person has under other law to contest a denial of bail or to contest the amount of bail set by a judge or magistrate; or

(2) require any testimonial evidence before a judge or magistrate makes a bail decision with respect to a person to whom this section applies.

(e) For purposes of determining whether clear and convincing evidence exists as described by this section, a judge or magistrate shall consider:

(1) the likelihood of the person's wilful nonappearance in court;

(2) the nature and circumstances of the alleged offense;

(3) the safety of the community, law enforcement, and the victim of the alleged offense; and

(4) the criminal history of the person.

(f) At a hearing described by this section, a person is entitled to be represented by counsel.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 4, 2025. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment requiring the denial of bail under certain circumstances to persons accused of certain offenses punishable as a felony."

### **Floor Amendment No. 1**

Amend CSSJR 5 (house committee report) as follows:

(1) Strike page 1, line 23, through page 2, line 6, and substitute the following:

(b) A person to whom this section applies shall be denied bail pending trial if the attorney representing the state demonstrates:

(1) by a preponderance of the evidence after a hearing that the granting of bail is insufficient to reasonably prevent the person's wilful nonappearance in court;  
or

(2) by clear and convincing evidence after a hearing that the granting of bail is insufficient to reasonably ensure the safety of the community, law enforcement, and the victim of the alleged offense.

(2) On page 2, lines 26 and 27, strike "clear and convincing evidence" and substitute "a preponderance of the evidence or clear and convincing evidence, as applicable,".

The amendments were read.

Senator Huffman moved to concur in the House amendments to **SJR 5**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

**(Senator Flores in Chair)**

### **SENATE BILL 6 WITH HOUSE AMENDMENTS**

Senator King called **SB 6** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

#### **Amendment**

Amend **SB 6** by substituting in lieu thereof the following:

#### **A BILL TO BE ENTITLED AN ACT**

relating to the planning for, interconnection and operation of, and costs related to providing service for certain electrical loads.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 35.004, Utilities Code, is amended by adding Subsections (c-1) and (c-2) to read as follows:

(c-1) The commission by rule shall ensure that a large load customer who is subject to the standards adopted under Section 37.0561 contributes to the recovery of the interconnecting electric utility's costs to interconnect the large load to the utility's system.

(c-2) An electric cooperative or municipally owned utility that has not adopted customer choice shall pass through to a large load customer who is subject to the standards adopted under Section 37.0561 the reasonable costs to interconnect the large load in a manner determined by the electric cooperative or municipally owned utility.

SECTION 2. Subchapter B, Chapter 37, Utilities Code, is amended by adding Sections 37.0561 and 37.0562 to read as follows:

Sec. 37.0561. PLANNING FOR AND INTERCONNECTION OF LARGE LOADS. (a) For the purposes of this section, a large load customer includes an entity requesting an interconnection that exceeds the demand threshold adopted under Subsection (c) and a successor in interest to such an entity.

(b) The commission by rule shall establish standards for interconnecting large load customers in the ERCOT power region in a manner designed to support business development in this state while minimizing the potential for stranded infrastructure costs and maintaining system reliability.

(c) The standards must apply only to customers requesting a new or expanded interconnection where the total load at a single site would exceed a demand threshold established by the commission based on the size of loads that significantly impact

transmission needs in the ERCOT power region. The commission shall establish a demand threshold of 75 megawatts unless the commission determines that a lower threshold is necessary to accomplish the purposes described by Subsection (b).

(d) The standards must require each large load customer subject to Subsection (c) to disclose to the interconnecting electric utility or municipally owned utility whether the customer is pursuing a substantially similar request for electric service in this state the approval of which would result in the customer materially changing, delaying, or withdrawing the interconnection request. The disclosure may withhold or anonymize competitively sensitive details. The commission by rule shall prohibit an electric utility or municipally owned utility from selling, sharing, or disclosing information submitted to the utility under this subsection other than a disclosure to the commission or the independent organization certified under Section 39.151 for the ERCOT power region, subject to appropriate confidentiality protections.

(e) The standards must require each interconnected large load customer subject to Subsection (c) to disclose to the interconnecting electric utility or municipally owned utility information about the customer's on-site backup generating facilities and require the interconnecting electric utility or municipally owned utility to provide the information to the independent organization certified under Section 39.151 for the ERCOT power region. For the purposes of this subsection, "on-site backup generating facilities" means generation that is not capable of exporting energy to the ERCOT transmission grid and that, in the aggregate, can serve at least 50 percent of on-site demand. The independent organization shall establish a threshold before or during an energy emergency alert at which the organization may issue reasonable notice that large load customers may be directed to deploy on-site backup generating facilities or curtail load. After the independent organization deploys all available market services, except for frequency response services, the independent organization may direct the applicable electric utility or municipally owned utility to require the large load customer to either deploy the customer's on-site backup generating facilities or curtail load. The independent organization shall include a deployment under this section as firm load shed when calculating any price adjustments for reliability deployments. This subsection does not:

(1) authorize or require a violation of any emissions limitation in state or federal law or a violation of any other environmental regulation; or

(2) prohibit a large load customer from participating in a service authorized by Section 39.170(b).

(f) The standards must set a flat study fee of at least \$100,000 to be paid to the interconnecting electric utility or municipally owned utility for initial transmission screening studies for large loads subject to Subsection (c). A large load customer that requests additional capacity following the screening study must pay an additional study fee based on the new request. The interconnecting electric utility or municipally owned utility shall apply any unused portion of the initial transmission screening study fee as a credit toward satisfying financial obligations for procurement or interconnection agreements at the same geographic site.

(g) The standards must include a method for a large load customer subject to Subsection (c) to demonstrate site control for the proposed load location through an ownership interest, lease, or another legal interest acceptable to the commission.

(h) The standards must include uniform financial commitment standards for the development of transmission infrastructure needed to serve a large load customer subject to Subsection (c) before an electric utility or municipally owned utility may submit a project for review to the independent organization certified under Section 39.151 for the ERCOT power region based on the large load customer's demand. Unless the payment is later refunded, an interconnecting electric utility or municipally owned utility that receives a payment that meets the financial commitment standards shall preserve the ability of the large load customer to interconnect and retain the customer's contract capacity under the interconnection or facilities extension agreement, once the utility has approved the customer's initial or modified request for interconnection. The standards must provide that satisfactory proof of financial commitment may include:

(1) security provided on a dollar per megawatt basis as set by the commission;

(2) contribution in aid of construction;

(3) security provided under an agreement that requires a large load customer to pay for significant equipment or services in advance of signing an agreement to establish electric delivery service; or

(4) a form of financial commitment acceptable to the commission other than those provided by Subdivisions (1)-(3).

(i) Security provided under Subsection (h)(1) must be refunded, in whole or in part, after the security is applied to any outstanding amounts owed:

(1) as the large load customer meets the customer's load ramp milestones and sustains operations for a prescribed period as determined by the commission;

(2) if the large load customer withdraws the customer's request for all or a portion of the requested capacity; or

(3) if capacity subject to a financial commitment will be reallocated to one or more other customers.

(j) The commission shall establish uniform requirements for determining when capacity that is subject to an outstanding financial commitment under this section may be reallocated.

(k) The standards must establish a procedure to allow the independent organization certified under Section 39.151 for the ERCOT power region to access any information collected by the interconnecting electric utility or municipally owned utility to ensure compliance with the standards for transmission planning analysis. Any customer-specific or competitively sensitive information obtained under this subsection is confidential and not subject to disclosure under Chapter 552, Government Code.

(l) The commission may not limit the authority of a municipally owned utility or an electric cooperative to impose electric service requirements for large load customers on their systems in addition to the standards adopted under this section.

(m) Notwithstanding the forecasted load growth and additional load currently seeking interconnection required to be considered under Section 37.056(c-1), the commission by rule shall establish criteria by which the independent organization

certified under Section 39.151 for the ERCOT power region includes forecasted large load of any peak demand in the organization's transmission planning and resource adequacy models and reports.

Sec. 37.0562. EXPEDITED INTERCONNECTION FOR CERTAIN LARGE LOADS. (a) In this section:

(1) "Behind-the-meter generation" means a generation facility on the retail customer's side of the meter capable of serving the full load requirement of the retail customer.

(2) "Flexible load" means a large load operated by a retail customer who is obligated by contract or agreement in the ERCOT market to reduce the load or power the load exclusively with back-up generation:

(A) at the direction of the independent organization certified under Section 39.151 for the ERCOT power region; or

(B) as required to protect the integrity of the ERCOT grid.

(b) The commission by rule shall establish a program to provide an expedited process for the interconnection of large loads. The program must require the interconnecting municipally owned utility or electric utility and the independent organization certified under Section 39.151 for the ERCOT power region to give priority in the interconnection queue to a large load for which a retail customer has received approval for expedited processing over any other large loads that have not entered into a contractual agreement with the municipally owned utility or electric utility regarding the provision of electric service. If applicable, the generation interconnection application for a generation facility associated with the large load must be processed in parallel with the large load.

(c) The program must require a large load to qualify for expedited interconnection processing by bringing in-service, not later than the 180th day after the interconnection date, behind-the-meter generation that is:

(1) registered with the independent organization certified under Section 39.151 for the ERCOT power region; and

(2) capable of serving the full load requirement of the customer.

(d) As an alternative to the requirements of Subsection (c), a large load may qualify for expedited interconnection processing, if the load is a facility with an aggregated peak demand at a single site of more than 75 megawatts, by:

(1) providing to the interconnecting municipally owned utility or electric utility all data regarding, and making satisfactory proof of financial commitment for, the load; and

(2) being subject to a binding commitment with the independent organization certified under Section 39.151 for the ERCOT power region to establish the load as a flexible load for a minimum period established by the commission, which must be at least 10 years.

(e) A large load that qualifies for expedited interconnection processing may choose:

(1) if authorized by the independent organization certified under Section 39.151 for the ERCOT power region and the relevant municipally owned utility or electric utility, to contract with a vendor approved by the relevant utility or by the independent organization to perform all studies required by the relevant utility before the approval of the interconnection application; and

(2) if authorized by the relevant municipally owned utility or electric utility:

(A) to procure equipment required for the interconnection in accordance with technical specifications provided by the relevant utility; and

(B) to construct interconnection facilities in accordance with technical and other requirements of the relevant utility.

(f) The program may provide that studies required by a municipally owned utility or electric utility before the approval of an interconnection application for a flexible load may evaluate the load as non-firm.

(g) Demand reductions from flexible loads that receive expedited processing and are removed from the system through the utilization of behind-the-meter generation during an energy emergency alert must be counted toward any obligation of the municipally owned utility or electric utility to shed load.

(h) The independent organization certified under Section 39.151 for the ERCOT power region shall consider action taken under this section as a reliability deployment when calculating any price adjustments for reliability deployments.

(i) The commission shall establish financial penalties the commission may impose on an owner or operator of a large load that is approved for expedited interconnection processing but fails to reduce the load or power the load with back-up generation as directed by the independent organization certified under Section 39.151 for the ERCOT power region.

SECTION 3. Section 39.002, Utilities Code, is amended to read as follows:

Sec. 39.002. APPLICABILITY. This chapter, other than Sections 39.151, 39.1516, 39.155, 39.157(e), 39.161, 39.162, 39.163, 39.169, 39.170, 39.203, 39.9051, 39.9052, and 39.914(e), and Subchapters M and N, does not apply to a municipally owned utility or an electric cooperative. Sections 39.157(e) and 39.203 apply only to a municipally owned utility or an electric cooperative that is offering customer choice. If there is a conflict between the specific provisions of this chapter and any other provisions of this title, except for Chapters 40 and 41, the provisions of this chapter control.

SECTION 4. Subchapter D, Chapter 39, Utilities Code, is amended by adding Sections 39.169 and 39.170 to read as follows:

Sec. 39.169. CO-LOCATION OF LARGE LOAD CUSTOMER WITH EXISTING GENERATION RESOURCE. (a) A power generation company, municipally owned utility, or electric cooperative must submit a notice to the independent organization certified under Section 39.151 for the ERCOT power region before implementing a net metering arrangement between an operating facility registered with the independent organization as a stand-alone generation resource as of September 1, 2025, and a new large load customer as described by Section 37.0561(c).

(b) This section does not apply to a generation resource:



(1) the registration for which included a co-located large load customer at the time of energization, regardless of whether the load was energized at a later date; or

(2) a majority interest of which is owned indirectly or directly as of January 1, 2025, by a parent company of the customer that participates in the new net metering arrangement.

(c) The new net metering arrangement must be requested or consented to by the electric cooperative, electric utility, or municipally owned utility certificated to provide electric service at the location. The electric cooperative, electric utility, or municipally owned utility may withhold consent to a proposal that is consistent with the determination provided under Subsection (d) and applicable law only for a reasonable cause.

(d) Not later than the 180th day after the date the independent organization certified under Section 39.151 for the ERCOT power region receives the notice under Subsection (a), the independent organization shall approve, deny, or impose reasonable conditions on a proposed net metering arrangement described by Subsection (a) as necessary to maintain system reliability, including transmission security and resource adequacy impacts. The conditions must require a generation resource that makes capacity available to the ERCOT power region before the implementation of a net metering arrangement under this section to make at least that amount of capacity available to the ERCOT power region after the implementation of the arrangement at the direction of the independent organization in advance of an anticipated emergency condition. The conditions may:

(1) require the retail customer who is served behind-the-meter to reduce load during certain events;

(2) require the generation resource to make capacity available to the ERCOT power region during certain events; or

(3) provide that the owner of the generation resource may be held liable for stranded or underutilized transmission assets resulting from the behind-the-meter operation.

(e) If the independent organization certified under Section 39.151 for the ERCOT power region does not approve, deny, or impose reasonable conditions on a proposed net metering arrangement before the expiration of the deadline established by Subsection (d), the independent organization is considered to have approved the arrangement.

(f) If conditions imposed under Subsection (d) are not limited to a specific period, the independent organization certified under Section 39.151 for the ERCOT power region shall review the conditions at least every five years to determine whether the conditions should be extended or rescinded.

(g) The parties to a proceeding under this section are limited to the commission, the independent organization certified under Section 39.151 for the ERCOT power region, the interconnecting electric cooperative, electric utility, or municipally owned utility, and a party in the net metering arrangement. A final decision made by the independent organization related to this section may be appealed to the commission by the owner of the generation resource or the large load customer.

(h) The commission shall post the decision made by the independent organization certified under Section 39.151 for the ERCOT power region on each notice submitted under this section on the commission's Internet website. The commission may not post information regarding the decision that is competitively sensitive or otherwise considered confidential.

Sec. 39.170. LARGE LOAD DEMAND MANAGEMENT SERVICE. (a) The commission shall require the independent organization certified under Section 39.151 for the ERCOT power region to ensure that each electric cooperative, transmission and distribution utility, and municipally owned utility serving a transmission-voltage customer develops a protocol and installs, or requires to be installed, before the customer is interconnected, any necessary equipment to allow the load to be curtailed during firm load shed. The electric cooperative, transmission and distribution utility, or municipally owned utility shall confer with the customer to the extent feasible to shed load in a coordinated manner. This subsection applies only to a load interconnected after December 31, 2025, that is not:

(1) load operated by a critical load industrial customer, as defined by Section 17.002; or

(2) designated as a critical natural gas facility under Section 38.074.

(b) The commission shall require the independent organization certified under Section 39.151 for the ERCOT power region to develop a reliability service to competitively procure demand reductions from large load customers with a demand of at least 75 megawatts to be deployed in the event of an anticipated emergency condition. The rules governing this service must:

(1) specify the periods when the service may be used to assist with maintaining reliability during extreme weather events;

(2) ensure that the independent organization provides at least a 24-hour notice to large load customers and requires each large load to remain curtailed for the duration of the energy emergency alert event or until the load can be recalled safely; and

(3) prohibit participation by any large load customer that curtails in response to the wholesale price of electricity, as determined by the independent organization certified under Section 39.151 for the ERCOT power region, or that otherwise participates in a different reliability or ancillary service.

(c) The independent organization certified under Section 39.151 for the ERCOT power region shall include a deployment under this section when calculating any price adjustments for reliability deployments.

SECTION 5. (a) The Public Utility Commission of Texas shall evaluate whether the existing methodology used to charge wholesale transmission costs to distribution providers under Section 35.004(d), Utilities Code, continues to appropriately assign costs for transmission investment. The commission shall also evaluate:

(1) whether the current four coincident peak methodology used to calculate wholesale transmission rates ensures that all loads appropriately contribute to the recovery of an electric cooperative's, electric utility's, or municipally owned utility's costs to provide access to the transmission system;

(2) whether alternative methods to calculate wholesale transmission rates would more appropriately assign the cost of providing access to and wholesale service from the transmission system, such as consideration of multiple seasonal peak demands, demand during different length daily intervals, or peak energy intervals; and

(3) the portion of the costs related to access to and wholesale service from the transmission system that should be nonbypassable, consistent with Section 35.004(c-1), Utilities Code, as added by this Act.

(b) The Public Utility Commission of Texas shall evaluate whether the commission's retail ratemaking practices ensure that transmission cost recovery appropriately charges the system costs that are caused by each customer class.

(c) The Public Utility Commission of Texas shall begin the evaluation required under Subsection (a) of this section not later than the 90th day after the effective date of this Act. After completion of the evaluation project and not later than December 31, 2026, the commission shall amend commission rules to ensure that wholesale transmission charges appropriately assign costs for transmission investment.

SECTION 6. Section 35.004(c-1), Utilities Code, as added by this Act, applies only to an interconnection agreement entered into on or after the effective date of this Act.

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

### **Floor Amendment No. 1**

Amend **CSSB 6** (house committee report) as follows:

(1) On page 1, line 19, strike "Sections 37.0561 and 37.0562" and substitute "Section 37.0561".

(2) On page 3, lines 14 and 15, strike "may be directed to deploy" and substitute "with on-site backup generating facilities may be directed to either deploy the customer's".

(3) On page 4, line 19, strike "standards" and substitute "requirements".

(4) On page 4, line 21, through page 5, line 4, strike "before an electric utility or municipally owned utility may submit a project for review to the independent organization certified under Section 39.151 for the ERCOT power region based on the large load customer's demand. Unless the payment is later refunded, an interconnecting electric utility or municipally owned utility that receives a payment that meets the financial commitment standards shall preserve the ability of the large load customer to interconnect and retain the customer's contract capacity under the interconnection or facilities extension agreement, once the utility has approved the customer's initial or modified request for interconnection".

(5) Strike page 6, line 21, through page 9, line 21.

(6) On page 11, lines 5 through 11, strike "Not later than the 180th day after the date the independent organization certified under Section 39.151 for the ERCOT power region receives the notice under Subsection (a), the independent organization shall approve, deny, or impose reasonable conditions on a proposed net metering arrangement described by Subsection (a) as necessary to maintain system reliability, including transmission security and resource adequacy impacts." and substitute "The

independent organization certified under Section 39.151 for the ERCOT power region shall study the system impacts of a proposed net metering arrangement and removal of generation for which the independent organization receives a notice under Subsection (a) after the independent organization receives all information regarding the arrangement required by the independent organization to be submitted to the independent organization. The independent organization must complete the study and submit the results to the commission with any associated recommendations not later than the 120th day after the independent organization receives all required information regarding the arrangement. Not later than the 60th day after the date the commission receives the study results from the independent organization, the commission shall approve, deny, or impose reasonable conditions on the proposed net metering arrangement as necessary to maintain system reliability, including transmission security and resource adequacy impacts."

(7) On page 11, line 12, between "makes" and "capacity", insert "dispatchable".

(8) On page 11, line 15, between "of" and "capacity", insert "dispatchable".

(9) On page 11, line 18, between "may" and the underlined colon, insert "include".

(10) On page 11, line 19, strike "require" and substitute "requiring".

(11) On page 11, line 21, strike "require" and substitute "requiring".

(12) On page 11, lines 23 and 24, strike "provide that the owner of the generation resources may be held liable" and substitute "requiring customers to be held harmless".

(13) On page 11, lines 26 and 27, strike "independent organization certified under Section 39.151 for the ERCOT power region" and substitute "commission".

(14) On page 12, line 3, strike "independent organization" and substitute "commission".

(15) On page 12, lines 6 and 7, strike "independent organization certified under Section 39.151 for the ERCOT power region" and substitute "commission".

(16) On page 12, lines 15 through 17, strike "A final decision made by the independent organization related to this section may be appealed to the commission by the owner of the generation resource or the large load customer".

(17) On page 12, lines 18 through 20, strike "by the independent organization certified under Section 39.151 for the ERCOT power region".

## **Floor Amendment No. 2**

Amend Amendment No. 1 by King to **CSSB 6** (house committee report) by adding the following items to the amendment:

(18) On page 3, line 17, strike "response" and replace with "responsive".

(19) Strike page 10, line 25 through page 11, line 4 and substitute the following:

(c) The electric cooperative, transmission and distribution utility, or municipally owned utility that provides electric service at the location of the new net metering arrangement may for reasonable cause including a violation of other law, object to the arrangement, provided however, that no reasonable cause objection may be raised after a final decision by the commission is issued under this section.

(20) On page 12, line 13, strike "electric utility" and substitute "transmission and distribution utility".

(21) On page 13, lines 2 through 4, strike "protocol and installs, or requires to be installed, before the customer is interconnected, any necessary equipment" and substitute "protocol, including the installation of any necessary equipment or technology before the customer is interconnected,".

### **Floor Amendment No. 3**

Amend **CSSB 6** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter A, Chapter 67, Water Code, is amended by adding Section 67.0115 to read as follows:

Sec. 67.0115. ELECTRIC GENERATION. (a) A corporation may generate electric power for use in the corporation's operations, limited to:

(1) powering water well pumps, service pumps, and other equipment for the production, treatment, and transportation of raw water; and

(2) powering infrastructure for the treatment and delivery of potable drinking water.

(b) For the purposes of Subsection (a), a corporation operating solely as a wholesale water supplier or sewer service in a county with a population of less than 350,000 may generate excess electric power in conjunction with the uses described in Subsection (a) for sale in the ERCOT power region to provide revenue for the corporation only if the corporation:

(1) primarily generates electric power solely for the uses described in Subsection (a); and

(2) registers as a power generation company under Section 39.351, Utilities Code.

(c) A corporation that generates electric power for sale under Subsection (b) shall account for and use the revenue from those sales in a manner that complies with Section 67.004. The revenue that accrues from those sales of electric power may be used by the corporation only for:

(1) the corporation's costs of producing and selling electric power, including administration, employees, equipment, fuel, and maintenance; or

(2) a purpose described by Section 67.002.

The amendments were read.

Senator King moved to concur in the House amendments to **SB 6**.

The motion prevailed by the following vote: Yeas 31, Nays 0.

### **CONFERENCE COMMITTEE ON HOUSE BILL 2067 (Motion In Writing)**

Senator Middleton called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2067** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2067** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Middleton, Chair; Schwertner, King, Campbell, and Creighton.

**CONFERENCE COMMITTEE ON HOUSE BILL 3595**  
**(Motion In Writing)**

Senator Perry called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3595** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3595** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Perry, Chair; Kolkhorst, J. Hinojosa, Sparks, and Bettencourt.

**MESSAGE FROM THE HOUSE**

HOUSE CHAMBER

Austin, Texas

Thursday, May 29, 2025 - 3

The Honorable President of the Senate

Senate Chamber

Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

**HB 27** (135 Yeas, 2 Nays, 1 Present, not voting)

**HB 42** (111 Yeas, 15 Nays, 2 Present, not voting)

**HB 521** (89 Yeas, 44 Nays, 2 Present, not voting)

**HB 783** (102 Yeas, 28 Nays, 2 Present, not voting)

**HB 1178** (130 Yeas, 2 Nays, 2 Present, not voting)

**HB 1211** (95 Yeas, 31 Nays, 2 Present, not voting)

**HB 1234** (104 Yeas, 28 Nays, 1 Present, not voting)

**HB 1690** (133 Yeas, 1 Nays, 1 Present, not voting)

**HB 2243** (99 Yeas, 36 Nays, 2 Present, not voting)

**HB 2853** (105 Yeas, 34 Nays, 1 Present, not voting)

**HB 3963** (99 Yeas, 36 Nays, 1 Present, not voting)

**HB 4211** (110 Yeas, 26 Nays, 1 Present, not voting)

**HB 4638** (124 Yeas, 11 Nays, 1 Present, not voting)

THE HOUSE HAS REFUSED TO CONCUR IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

**HB 3372**

House Conferees: Metcalf - Chair/Bell, Keith/Leach/Leo Wilson/Vasut

Respectfully,

/s/Stephen Brown,

Chief Clerk

House of Representatives

**HOUSE BILL 4233 ON SECOND READING**

Senator Parker moved to suspend the regular order of business, Senate Rule 7.25, and Senate Rule 5.14 to take up for consideration **HB 4233** at this time on its second reading:

**HB 4233**, Relating to reporting and auditing requirements for digital asset service providers.

The motion prevailed.

Senator Hughes asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Parker offered the following amendment to the bill:

**Floor Amendment No. 1**

Amend **HB 4233** (senate committee report) by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subtitle E, Title 3, Finance Code, is amended by adding Chapter 161 to read as follows:

CHAPTER 161. VIRTUAL CURRENCY KIOSKS

Sec. 161.001. DEFINITIONS. In this chapter:

(1) "Blockchain analytics" means the analysis of data from blockchains or public distributed ledgers, including associated transaction information.

(2) "Blockchain analytics software" means a software service that uses blockchain analytics data to provide risk-specific information, including information relating to virtual currency wallet addresses.

(3) "Commissioner" means the banking commissioner of Texas or a person designated by the banking commissioner and acting under the banking commissioner's direction and authority.

(4) "Department" means the Texas Department of Banking.

(5) "Transaction hash" means a unique identifier made up of a string of characters that act as a record of and provide proof that the transaction was verified and added to the blockchain.

(6) "Virtual currency" has the meaning assigned by Section 12.001, Business & Commerce Code.

(7) "Virtual currency address" means an alphanumeric identifier associated with a virtual currency wallet identifying the location to which a virtual currency kiosk transaction can be sent.

(8) "Virtual currency business activity" means exchanging, transferring, or storing virtual currency.

(9) "Virtual currency kiosk" means an electronic terminal operated by a virtual currency kiosk operator to enable the operator to facilitate the exchange of virtual currency for money, bank credit, or other virtual currency, including by:

(A) connecting directly to a separate virtual currency exchanger that performs the actual virtual currency transmission; or

(B) drawing on the virtual currency in the possession of the electronic terminal's operator.

(10) "Virtual currency kiosk operator" means a person that engages in virtual currency business activity through a virtual currency kiosk located in this state or a person that owns, operates, or manages a virtual currency kiosk located in this state through which virtual currency business activity is offered.

(11) "Virtual currency kiosk transaction" means a transaction conducted or performed, wholly or partly, by electronic means on a virtual currency kiosk, including a transaction made at a virtual currency kiosk to purchase virtual currency with fiat currency or to sell virtual currency for fiat currency.

(12) "Virtual currency wallet" means a software application or other mechanism providing a means to hold, store, or transfer virtual currency.

Sec. 161.002. REGISTRATION REQUIRED. A virtual currency kiosk operator may not locate, or allow a third party to locate, a virtual currency kiosk in this state unless the virtual currency kiosk operator:

(1) registers the kiosk with the department; and

(2) obtains the prior approval of the department for the activation of the kiosk.

Sec. 161.003. REPORT REQUIRED. Not later than the 45th day following the date of the end of each calendar quarter, a virtual currency kiosk operator shall file with the department a report of the location of each virtual currency kiosk of the operator in this state. The report required under this section must include for each virtual currency kiosk:

(1) company legal name;

(2) any fictitious or trade name;

(3) physical address;

(4) start date of operation of the virtual currency kiosk at a location;



(5) end date of operation of the virtual currency kiosk at a location, if applicable; and

(6) each virtual currency address associated with the virtual currency kiosk.

Sec. 161.004. REQUESTS FOR CERTAIN INFORMATION. (a) Not later than 72 hours after receiving a written request from a law enforcement agency, a virtual currency kiosk operator shall provide to the agency limited identifying information such as a virtual currency wallet address or transaction hash.

(b) A release of information under Subsection (a) does not require a subpoena or court order. A release of additional identifying information requires a subpoena or court order.

Sec. 161.005. DISCLOSURES ON MATERIAL RISK. (a) A virtual currency kiosk operator in this state shall disclose in a clear, conspicuous, and easily readable manner all material risks generally associated with virtual currency, including that:

(1) virtual currency is not legal tender and is not backed or insured by the government;

(2) accounts and value balances of virtual currency are not subject to Federal Deposit Insurance Corporation, National Credit Union Administration, or Securities Investor Protection Corporation protections;

(3) some virtual currency kiosk transactions are deemed to be made when recorded on a public ledger that may not be the date or time when the person initiates the transaction;

(4) virtual currency's value may be derived from the continued willingness of market participants to exchange fiat currency for virtual currency, which may result in the permanent and total loss of a particular virtual currency's value if the market for virtual currency disappears;

(5) a person who accepts a virtual currency as payment is not required to accept the currency as payment and may decline to accept the currency in a future transaction;

(6) the volatility and unpredictability of the price of virtual currency relative to fiat currency may result in a significant loss in value over a short period;

(7) the nature of virtual currency means that any technological difficulties experienced by a virtual currency kiosk operator may prevent access to or use of the operator's customer's virtual currency; and

(8) any bond maintained by the virtual currency kiosk operator for the benefit of customers may not cover all losses incurred by customers.

(b) In addition to the disclosures required under Subsection (a), a virtual currency kiosk operator shall provide a written disclosure that:

(1) is written prominently and in bold type and must be acknowledged by the customer;

(2) is provided separately from the disclosures required under Subsection (a); and

(3) states: "WARNING: LOSSES DUE TO FRAUDULENT OR ACCIDENTAL TRANSACTIONS ARE NOT RECOVERABLE AND TRANSACTIONS IN VIRTUAL CURRENCY ARE IRREVERSIBLE. VIRTUAL CURRENCY TRANSACTIONS MAY BE USED TO STEAL YOUR MONEY BY CRIMINALS IMPERSONATING THE GOVERNMENT, ORGANIZATIONS, OR

YOUR LOVED ONES. THEY CAN THREATEN JAIL TIME, SAY YOUR IDENTITY HAS BEEN STOLEN, ALLEGE YOUR COMPUTER HAS BEEN HACKED, INSIST YOU WITHDRAW MONEY FROM YOUR BANK ACCOUNT TO PURCHASE VIRTUAL CURRENCY, OR A NUMBER OF OTHER SCAMS. IF YOU BELIEVE YOU ARE BEING SCAMMED, CALL YOUR LOCAL LAW ENFORCEMENT."

(c) The disclosures required under Subsection (a) must be displayed on the screen of the virtual currency kiosk with the ability for a customer to acknowledge the receipt of the disclosure.

Sec. 161.006. TRANSACTION-RELATED DISCLOSURES. (a) A virtual currency kiosk operator shall disclose all relevant terms generally associated with virtual currency and with the products, services, and activities of the virtual currency kiosk operator, including:

(1) the virtual currency kiosk operator's liability for unauthorized virtual currency kiosk transactions;

(2) the customer's liability for unauthorized virtual currency kiosk transactions;

(3) the customer's right to receive prior notice of a change in the virtual currency kiosk operator's rules or policies; and

(4) under what circumstances the virtual currency kiosk operator, without a court or government order, is authorized to disclose a customer's account information to third parties.

(b) Before a virtual currency kiosk transaction is entered into for, on behalf of, or with a customer, a virtual currency kiosk operator shall disclose the terms of the transaction in a clear, conspicuous, and easily readable manner, including:

(1) the amount of the transaction denominated in:

(A) United States dollars; and

(B) the applicable virtual currency involved in the transaction;

(2) any transaction fees, expenses, or charges, including applicable exchange rates;

(3) the type and nature of the transaction;

(4) a warning that once completed, the transaction may not be reversed; and

(5) any other disclosures that are customarily provided in connection with a virtual currency kiosk transaction.

Sec. 161.007. ACKNOWLEDGMENT OF DISCLOSURES. Before completing a transaction, a virtual currency kiosk operator shall ensure that each customer who engages in a virtual currency kiosk transaction using the operator's kiosk acknowledges receipt of all disclosures required under this chapter by confirmation of consent.

Sec. 161.008. RECEIPT REQUIRED. After a transaction is completed, the virtual currency kiosk operator shall provide the customer with a physical or digital receipt in the customer's preferred language that contains:

(1) the virtual currency kiosk operator's name and contact information, including a telephone number to answer questions and register complaints;

(2) the type, value, date, and precise time of the transaction, the transaction hash, and each applicable virtual currency address;

- (3) the name and contact information of the sender;
- (4) the name and contact information of the designated recipient;
- (5) the fees charged;
- (6) the exchange rate of the virtual currency to United States dollars;
- (7) a statement of the virtual currency kiosk operator's liability for nondelivery or delayed delivery;
- (8) a statement of the virtual currency kiosk operator's refund policy; and
- (9) any additional information the department may require.

Sec. 161.009. PREVENTION OF FRAUDULENT ACTIVITY. A virtual currency kiosk operator must use blockchain analytics software to assist in the prevention of sending purchased virtual currency from a virtual currency kiosk operator to a virtual currency wallet known to be affiliated with fraudulent activity at the time of a transaction. The department may request evidence from any virtual currency kiosk operator of current use of blockchain analytics.

Sec. 161.010. FRAUD POLICY. A virtual currency kiosk operator shall take reasonable steps to detect and prevent fraud, including establishing and maintaining a written antifraud policy. The policy required by this section shall, at a minimum, include:

- (1) the identification and assessment of fraud-related risk areas;
- (2) procedures and controls to protect against identified risks;
- (3) allocation of responsibility for monitoring risks; and
- (4) procedures for the periodic evaluation and revision of the antifraud procedures, controls, and monitoring mechanisms.

Sec. 161.011. MEASURES TO ENSURE COMPLIANCE WITH LAWS. (a) A virtual currency kiosk operator must designate and employ a compliance officer who:

- (1) is qualified to coordinate and monitor compliance with the requirements of this chapter and as otherwise provided by federal and state laws, rules, and regulations;
- (2) is employed full time by the virtual currency kiosk operator; and
- (3) does not own more than 20 percent of the virtual currency kiosk operator.

(b) Any compliance responsibilities required under federal or state laws, rules, and regulations shall be completed by the full-time employees of the virtual currency kiosk operator.

Sec. 161.012. IDENTIFICATION REQUIRED. Before completing a transaction, a virtual currency kiosk operator shall ensure that each customer who engages in a virtual currency kiosk transaction using the operator's kiosk scans the customer's driver's license or personal identification card.

Sec. 161.013. TEMPORARY HOLD ON TRANSACTIONS BY CERTAIN CUSTOMERS. A virtual currency kiosk operator shall place a 72-hour hold on any transaction initiated by a first-time customer who engages in a virtual currency kiosk transaction using the operator's kiosk.

Sec. 161.014. CUSTOMER SERVICE. A virtual currency kiosk operator that conducts business in this state must:

- (1) provide live customer service between the hours of 8 a.m. and 10 p.m. Monday through Friday; and

(2) display on the virtual currency kiosk or screen of the kiosk:

(A) the customer service toll-free telephone number;

(B) the name, address, and telephone number of the operator; and

(C) the days on, time on, and method by which a customer can contact

the operator for assistance.

Sec. 161.015. REVOCATION OF REGISTRATION. The department shall revoke a registration of a virtual currency kiosk operator if the virtual currency kiosk operator violates this chapter or a rule adopted or order issued under this chapter.

Sec. 161.016. CEASE AND DESIST ORDERS. (a) If the commissioner has reason to believe that a person has engaged or is likely to engage in an activity in violation of this chapter, the commissioner may order the person to cease and desist from the violation. The commissioner's order is subject to Section 161.020, unless the order is issued as an emergency order. The commissioner may issue an emergency cease and desist order under Section 161.021 if the commissioner finds that the person's violation or likely violation threatens immediate and irreparable harm to the public.

(b) A cease and desist order under this section may require the person to cease and desist from the action or violation or to take affirmative action to correct any condition resulting from or contributing to the action or violation, including the payment of restitution to each resident of this state damaged by the violation.

Sec. 161.017. CONSENT ORDERS. (a) The commissioner may enter into a consent order at any time with a person to resolve a matter arising under this chapter or a rule adopted or order issued under this chapter.

(b) A consent order must be signed by the person to whom the order is issued or by the person's authorized representative and must indicate agreement with the terms contained in the order. However, a consent order may provide that the order does not constitute an admission by a person that the person has violated this chapter or a rule adopted or order issued under this chapter.

(c) A consent order is a final order and may not be appealed.

Sec. 161.018. ADMINISTRATIVE PENALTY. (a) After notice and hearing, the commissioner may assess an administrative penalty against a person who:

(1) has violated this chapter or a rule adopted or order issued under this chapter and has failed to correct the violation not later than the 30th day after the date the department sends written notice of the violation to the person;

(2) has engaged in a pattern of violations; or

(3) has demonstrated wilful disregard for the requirements of this chapter, the rules adopted under this chapter, or an order issued under this chapter.

(b) A violation corrected after a person receives written notice from the department of the violation may be considered for purposes of determining whether a person has engaged in a pattern of violations under Subsection (a)(2) or demonstrated wilful disregard under Subsection (a)(3).

(c) The amount of the penalty may not exceed \$5,000 for each violation or, in the case of a continuing violation, \$5,000 for each day that the violation continues. Each transaction in violation of this chapter and each day that a violation continues is a separate violation.

(d) In determining the amount of the penalty, the commissioner shall consider factors that include the seriousness of the violation, the person's compliance history, and the person's good faith in attempting to comply with this chapter, provided that if the person is found to have demonstrated wilful disregard under Subsection (a)(3), the trier of fact may recommend that the commissioner impose the maximum administrative penalty permitted under Subsection (c).

(e) A hearing to assess an administrative penalty is considered a contested case hearing and is subject to Section 161.022.

(f) An order imposing an administrative penalty after notice and hearing becomes effective and is final for purposes of collection and appeal immediately on issuance.

(g) The commissioner may collect an administrative penalty assessed under this section in the same manner that a money judgment is enforced in court.

Sec. 161.019. NOTICE, HEARING, AND OTHER PROCEDURES FOR NONEMERGENCY ORDERS. (a) This section applies to an order issued by the commissioner under this chapter that is not an emergency order.

(b) An order to which this section applies becomes effective only after notice and an opportunity for hearing. The order must:

(1) state the grounds on which the order is based;

(2) to the extent applicable, state the action or violation from which the person subject to the order must cease and desist or the affirmative action the person must take to correct a condition resulting from the violation or that is otherwise appropriate;

(3) be delivered by personal delivery or sent by certified mail, return receipt requested, to the person against whom the order is directed at the person's last known address;

(4) state the effective date of the order, which may not be before the 21st day after the date the order is delivered or mailed; and

(5) include a notice that a person may file a written request for a hearing on the order with the commissioner not later than the 20th day after the date the order is delivered or mailed.

(c) Unless the commissioner receives a written request for a hearing from the person against whom the order is directed not later than the 20th day after the date the order is delivered or mailed, the order takes effect as stated in the order and is final against and non-appealable by that person from that date.

(d) A hearing on the order must be held not later than the 45th day after the date the commissioner receives the written request for the hearing unless the administrative law judge extends the period for good cause or the parties agree to a later hearing date.

(e) An order that has been affirmed or modified after a hearing becomes effective and is final for purposes of enforcement and appeal immediately on issuance. The order may be appealed to the district court of Travis County as provided by Section 161.021(b).

Sec. 161.020. REQUIREMENTS FOR NOTICE AND HEARING PROCEDURES FOR EMERGENCY ORDERS. (a) This section applies to an emergency order issued by the commissioner under this chapter.

(b) The commissioner may issue an emergency order, without prior notice and an opportunity for hearing, if the commissioner finds that:

(1) the action, violation, or condition that is the basis for the order:

(A) has caused or is likely to cause the insolvency of the virtual currency kiosk operator;

(B) has caused or is likely to cause the substantial dissipation of the virtual currency kiosk operator's assets or earnings;

(C) has seriously weakened or is likely to seriously weaken the condition of the virtual currency kiosk operator; or

(D) has seriously prejudiced or is likely to seriously prejudice the interests of the virtual currency kiosk operator, a customer of the virtual currency kiosk operator, or the public; and

(2) immediate action is necessary to protect the interests of the virtual currency kiosk operator, a customer of the virtual currency kiosk operator, or the public.

(c) In connection with and as directed by an emergency order, the commissioner may seize the records and assets of a virtual currency kiosk operator or authorized delegate that relate to the operator's virtual currency kiosk business.

(d) An emergency order must:

(1) state the grounds on which the order is based;

(2) advise the person against whom the order is directed that the order takes effect immediately, and, to the extent applicable, require the person to immediately cease and desist from the conduct or violation that is the subject of the order or to take the affirmative action stated in the order as necessary to correct a condition resulting from the conduct or violation or as otherwise appropriate;

(3) be delivered by personal delivery or sent by certified mail, return receipt requested, to the person against whom the order is directed at the person's last known address; and

(4) include a notice that a person may request a hearing on the order by filing a written request for hearing with the commissioner not later than the 15th day after the date the order is delivered or mailed.

(e) An emergency order takes effect as soon as the person against whom the order is directed has actual or constructive knowledge of the issuance of the order.

(f) A virtual currency kiosk operator or authorized delegate against whom an emergency order is directed must submit a written certification to the commissioner, signed by the operator or authorized delegate, and their principals and responsible individuals, as applicable, and each person named in the order, stating that each person has received a copy of and has read and understands the order.

(g) Unless the commissioner receives a written request for a hearing from a person against whom an emergency order is directed not later than the 15th day after the date the order is delivered or mailed, the order is final and non-appealable as to that person on the 16th day after the date the order is delivered or mailed.

(h) A request for a hearing does not stay an emergency order.

(i) A hearing on an emergency order takes precedence over any other matter pending before the commissioner, and must be held not later than the 10th day after the date the commissioner receives the written request for hearing unless the administrative law judge extends the period for good cause or the parties agree to a later hearing date.

(j) An emergency order that has been affirmed or modified after a hearing is final for purposes of enforcement and appeal. The order may be appealed to the district court of Travis County as provided in Section 161.021(b).

Sec. 161.021. ADMINISTRATIVE PROCEDURES. (a) All administrative proceedings under this chapter must be conducted in accordance with Chapter 2001, Government Code, and 7 T.A.C. Chapter 9.

(b) A person affected by a final order of the commissioner issued under this chapter after a hearing may appeal the order by filing a petition for judicial review in a district court of Travis County. A petition for judicial review filed in the district court under this subsection does not stay or vacate the appealed order unless the court, after notice and hearing, specifically stays or vacates the order.

Sec. 161.022. REFUND. (a) Not later than the 14th day after the date that a customer enters into a virtual currency kiosk transaction, if the customer believes the transaction was fraudulently induced, the customer may file a complaint with:

(1) the virtual currency kiosk operator of the kiosk used to complete the transaction; and

(2) an appropriate governmental or law enforcement agency.

(b) A governmental or law enforcement agency that receives a complaint under Subsection (a) shall:

(1) investigate the complaint; and

(2) provide a report to the customer and the virtual currency kiosk operator stating whether or not the virtual currency kiosk transaction was fraudulently induced.

(c) If the report provided under Subsection (b) states that a virtual currency kiosk transaction was fraudulently induced, the virtual currency kiosk operator shall issue to the customer a full refund for any fees charged by the operator in connection with the transaction.

Sec. 161.023. PHYSICAL WARNING SIGNS. A virtual currency kiosk operator in this state shall post at the location of each virtual currency kiosk of the operator a written warning in the form of a sign within readable sight of the kiosk that provides notice to customers that law enforcement does not accept virtual currency payments.

Sec. 161.024. LAW ENFORCEMENT CONTACT. A virtual currency kiosk operator in this state shall, at a minimum, have a dedicated law enforcement contact and dedicated method of contact for the applicable governmental or law enforcement agencies to contact the operator. The contact method shall be displayed and made available on the virtual currency kiosk operator's Internet website and shall be updated as necessary.

Sec. 161.025. RULES. The Finance Commission of Texas shall adopt rules necessary to implement, administer, and enforce this chapter.

SECTION \_\_\_\_\_. As soon as practicable after the effective date of this Act, the Finance Commission of Texas shall adopt rules necessary to implement Chapter 161, Finance Code, as added by this Act.

The amendment to **HB 4233** was read and was adopted without objection.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1 except as follows:

Nays: Middleton, Hughes.

Senator Eckhardt offered the following amendment to the bill:

### **Floor Amendment No. 2**

Amend **HB 4233** (senate committee report) as follows:

(1) In the recital to SECTION 1 of the bill (page 1, line 24), strike "Section 160.004(c), Finance Code, is" and substitute "Sections 160.004(b) and (c), Finance Code, are".

(2) In SECTION 1 of the bill, before amended Section 160.004(c), Finance Code (page 1, between lines 25 and 26), insert the following:

(b) In addition to any other requirements under state law, a digital asset service provider shall maintain customer funds not subject to the requirements of Chapter 152 ~~[151]~~:

(1) in separate accounts for obligations to each digital asset customer; or

(2) in an omnibus account that only contains digital assets of digital asset customers and in which digital assets of digital asset customers are not strictly segregated from each other.

(3) In the recital to SECTION 2 of the bill (page 1, line 37), strike "Section 160.005(a)" and substitute "Section 160.005".

(4) In SECTION 2 of the bill, in amended Section 160.005(a), Finance Code (page 1, line 39), before "(a)", insert "Sec. 160.005. REQUIREMENTS FOR MONEY TRANSMISSION LICENSE".

(5) In SECTION 2 of the bill, following amended Section 160.005(a), Finance Code (page 1, between lines 45 and 46), insert the following:

(b) The department may suspend and revoke a money transmission license issued under Subchapter C ~~[D]~~, Chapter 152 ~~[151]~~, to a digital asset service provider if the provider violates the requirements of this chapter.

(c) The department may impose any penalty under Subchapter I ~~[H]~~, Chapter 152 ~~[151]~~, that the department may impose on a person who violates that chapter on a digital asset service provider who violates this chapter.

(d) The commissioner may examine or investigate a digital asset service provider in the same manner as allowed under Subchapter B ~~[G]~~, Chapter 152 ~~[151]~~. Information disclosed to the commissioner in connection with an examination or investigation under this section is confidential information and subject to the provisions regarding confidentiality under Subchapter B ~~[G]~~, Chapter 152 ~~[151]~~.

(6) Add the following appropriately numbered SECTION to the bill:

SECTION \_\_\_\_\_. Section 160.003, Finance Code, is amended to read as follows:

Sec. 160.003. APPLICABILITY. (a) This chapter applies to a digital asset service provider doing business in this state that:



(1) holds a money transmission license under Subchapter C [~~D~~], Chapter 152 [~~154~~]; and

(2) either:

(A) serves more than 500 digital asset customers in this state; or

(B) has at least \$10 million in customer funds.

(b) This chapter does not apply to:

(1) a bank, as defined by Section 31.002; or

(2) an entity excluded by commission rule or by order of the banking commissioner based on a finding that the entity is:

(A) not required to hold a money transmission license under Subchapter C [~~D~~], Chapter 152 [~~154~~]; or

(B) not subject to the requirements of this chapter.

(7) Renumber remaining SECTIONS of the bill accordingly.

The amendment to **HB 4233** was read and was adopted without objection.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 2.

**HB 4233** as amended was passed to third reading without objection.

All Members are deemed to have voted "Yea" on the passage to third reading.

### **HOUSE BILL 4233 ON THIRD READING**

Senator Parker moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 4233** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Creighton, Eckhardt, Flores, Gutierrez, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Hughes, Middleton.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 2. (Same as previous roll call)

### **CONFERENCE COMMITTEE ON HOUSE BILL 4 (Motion In Writing)**

Senator Bettencourt called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 4** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 4** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Bettencourt, Chair; Creighton, Hancock, Campbell, and Blanco.

**SENATE BILL 568 WITH HOUSE AMENDMENT**  
**(Motion In Writing)**

Senator Bettencourt called **SB 568** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

**Amendment**

Amend **SB 568** by substituting in lieu thereof the following:

A BILL TO BE ENTITLED  
AN ACT

relating to special education in public schools, including funding for special education under the Foundation School Program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 7.021(b)(10), Education Code, is amended to read as follows:

(10) The agency shall carry out duties assigned under Section 30.002 concerning children who have visual impairments, are deaf or hard of hearing, or are deaf-blind [with visual impairments].

SECTION 2. Section 7.055(b)(25), Education Code, is amended to read as follows:

(25) The commissioner shall develop a system to distribute to school districts or regional education service centers a special supplemental allowance for students with visual impairments as required under Section 30.0021 ~~[30.002]~~.

SECTION 3. Section 8.051(d), Education Code, is amended to read as follows:

(d) Each regional education service center shall maintain core services for purchase by school districts and campuses. The core services are:

(1) training and assistance in:

(A) teaching each subject area assessed under Section 39.023; and

(B) providing instruction in personal financial literacy as required under Section 28.0021;

(2) training and assistance in providing each program that qualifies for a funding allotment under Section 48.102, 48.1021, 48.103, 48.104, 48.105, or 48.109;

(3) assistance specifically designed for a school district or campus assigned an unacceptable performance rating under Section 39.054;

(4) training and assistance to teachers, administrators, members of district boards of trustees, and members of site-based decision-making committees;

(5) assistance specifically designed for a school district that is considered out of compliance with state or federal special education requirements, based on the agency's most recent compliance review of the district's special education programs; and

(6) assistance in complying with state laws and rules.

SECTION 4. Sections 28.025(c-7) and (c-8), Education Code, are amended to read as follows:

(c-7) Subject to Subsection (c-8), a student who is enrolled in a special education program under Subchapter A, Chapter 29, may earn the distinguished level of achievement under Subsection (b-15) or an endorsement on the student's transcript under Subsection (c-1) by:

(1) successfully completing, with or without modification of the curriculum:

(A) the curriculum requirements identified by the State Board of Education under Subsection (a); ~~and~~

(B) for the distinguished level of achievement, the additional curriculum requirements prescribed under Subsection (b-15); and

(C) for an endorsement, the additional [endorsement] curriculum requirements prescribed by the State Board of Education under Subsection (c-2); and

(2) successfully completing all curriculum requirements for the distinguished level of achievement or that endorsement adopted by the State Board of Education:

(A) without modification of the curriculum; or

(B) with modification of the curriculum, provided that the curriculum, as modified, is sufficiently rigorous as determined by the student's admission, review, and dismissal committee and documented in the student's individualized education program.

(c-8) For purposes of Subsection (c-7), the admission, review, and dismissal committee of a student in a special education program under Subchapter A, Chapter 29, shall determine whether the student is required to achieve satisfactory performance on an end-of-course assessment instrument to earn the distinguished level of achievement or an endorsement on the student's transcript.

SECTION 5. Section 29.001, Education Code, is amended to read as follows:

Sec. 29.001. IMPLEMENTATION OF SPECIAL EDUCATION LAW [STATEWIDE PLAN]. (a) As the state education agency responsible for carrying out the purposes of Part B, Individuals with Disabilities Education Act (20 U.S.C. Section 1411 et seq.), the [The] agency shall develop, and revise [modify] as necessary, a comprehensive system to ensure statewide and local compliance [design, consistent] with federal and state law related to special education[, for the delivery of services to children with disabilities in this state that includes rules for the administration and funding of the special education program so that a free appropriate public education is available to all of those children between the ages of three and 21].

(b) The comprehensive system must [statewide design shall] include the provision of services primarily through school districts and shared services arrangements, supplemented by regional education service centers.

(c) The comprehensive system must focus on maximizing student outcomes and include [agency shall also develop and implement a statewide plan with programmatic content that includes procedures designed to]:

(1) rulemaking, technical assistance, guidance documents, monitoring protocols, data elements necessary for statewide reporting, and other resources as necessary to implement and ensure compliance with federal and state law related to

~~special education [ensure state compliance with requirements for supplemental federal funding for all state-administered programs involving the delivery of instructional or related services to students with disabilities];~~

(2) the facilitation of ~~[facilitate]~~ interagency coordination when other state agencies are involved in the delivery of instructional or related services to students with disabilities;

(3) the pursuit of ~~[periodically assess statewide personnel needs in all areas of specialization related to special education and pursue]~~ strategies to meet statewide special education and related services personnel ~~[those]~~ needs ~~[through a consortium of representatives from regional education service centers, local education agencies, and institutions of higher education and through other available alternatives];~~

(4) ensuring ~~[ensure]~~ that regional education service centers throughout the state maintain a regional support function, which may include procedures for service centers to assist school districts in identifying existing public or private educational or related services in each region, cooperatively developing programs for students with disabilities, providing to or obtaining for school districts special equipment, delivering services, and facilitating ~~[direct service delivery and a component designed to facilitate]~~ the placement of students with disabilities who cannot be appropriately served in their resident districts;

(5) ~~[allow the agency to]~~ effectively monitoring ~~[monitor]~~ and periodically conducting ~~[conduct]~~ site visits of all school districts to ensure that rules adopted under this subchapter ~~[section]~~ are applied in a consistent and uniform manner, to ensure that districts are complying with those rules, and to ensure that annual statistical reports filed by the districts and not otherwise available through the Public Education Information Management System under Sections 48.008 and 48.009 are accurate and complete; and

(6) the provision of training and technical assistance to ensure that:  
(A) appropriately trained personnel are involved in the diagnostic and evaluative procedures operating in all districts and that those personnel routinely serve on district multidisciplinary evaluation teams and admissions, review, and dismissal committees;

(B) ~~[(7) ensure that]~~ an individualized education program for each student with a disability is properly developed, implemented, and maintained in the least restrictive environment that is appropriate to meet the student's educational needs;

(C) appropriately trained personnel are available to students with disabilities who have significant behavioral support needs, including by providing behavioral support training for a paraprofessional or teacher placed in a classroom or other setting that is intended to provide specialized behavioral supports to a student with a disability, as needed or at regular intervals as provided in the student's individualized education program;

(D) ~~[(8) ensure that,]~~ when appropriate, each student with a disability is provided an opportunity to participate in career and technology and physical education classes~~[, in addition to participating in regular or special classes];~~

(E) ~~[(9) ensure that]~~ each student with a disability is provided necessary related services;

(F) school districts have an opportunity to request technical assistance from the agency or a regional education service center in establishing classroom environments conducive to learning for students with disabilities, including environments for students whose data indicate behavior that significantly impedes the student's own learning and the learning of other students;

(G) ~~[(10) ensure that]~~ an individual assigned to act as a surrogate parent for a child with a disability, as provided by 20 U.S.C. Section 1415(b), is required to:

(i) ~~[(A)]~~ complete a training program that complies with minimum standards established by agency rule;

(ii) ~~[(B)]~~ visit the child and the child's school;

(iii) ~~[(C)]~~ consult with persons involved in the child's education, including teachers, caseworkers, court-appointed volunteers, guardians ad litem, attorneys ad litem, foster parents, and caretakers;

(iv) ~~[(D)]~~ review the child's educational records;

(v) ~~[(E)]~~ attend meetings of the child's admission, review, and dismissal committee;

(vi) ~~[(F)]~~ exercise independent judgment in pursuing the child's interests; and

(vii) ~~[(G)]~~ exercise the child's due process rights under applicable state and federal law; and

(H) ~~[(11) ensure that]~~ each district develops a process to be used by a teacher who instructs a student with a disability in a general education ~~[regular]~~ classroom setting:

(i) ~~[(A)]~~ to request a review of the student's individualized education program;

(ii) ~~[(B)]~~ to provide input in the development of the student's individualized education program;

(iii) ~~[(C)]~~ that provides for a timely district response to the teacher's request; and

(iv) ~~[(D)]~~ that provides for notification to the student's parent or legal guardian of that response.

SECTION 6. Subchapter A, Chapter 29, Education Code, is amended by adding Section 29.0012 to read as follows:

Sec. 29.0012. ANNUAL MEETING ON SPECIAL EDUCATION. (a) At least once each year, the board of trustees of a school district or the governing body of an open-enrollment charter school shall include during a public meeting a discussion of the performance of students receiving special education services at the district or school.

(b) The agency by rule shall adopt a set of performance indicators for measuring and evaluating the quality of learning and achievement for students receiving special education services at the school district or open-enrollment charter school to be considered at a meeting held under this section. The indicators must include performance on the college, career, or military readiness outcomes described by Section 48.110.

SECTION 7. Section 29.003, Education Code, is amended to read as follows:

Sec. 29.003. ELIGIBILITY CRITERIA. (a) The agency shall develop specific eligibility criteria based on the general classifications established by this section and in accordance with federal law ~~[with reference to contemporary diagnostic or evaluative terminologies and techniques]~~. Eligible students with disabilities shall enjoy the right to a free appropriate public education, which may include instruction in the general education ~~[regular]~~ classroom, instruction through special teaching, or instruction through contracts approved under this subchapter. Instruction shall be supplemented by the provision of related services when appropriate.

(b) A student is eligible to participate in a school district's special education program ~~[if the student]~~:

(1) from birth through ~~[is not more than]~~ 21 years of age if the student ~~[and]~~ has a visual ~~[or auditory]~~ impairment, is deaf or hard of hearing, or is deaf-blind and that disability prevents the student from being adequately or safely educated in public school without the provision of special education services; ~~[or]~~

(2) from three years of age through nine years of age if the student is experiencing developmental delays as described by 20 U.S.C. Section 1401(3)(B) and defined by commissioner rule; or

(3) from 3 years of age through ~~[is at least three but not more than]~~ 21 years of age if the student ~~[and]~~ has one or more of the ~~[following]~~ disabilities described by 20 U.S.C. Section 1401(3)(A) and that disability prevents the student from being adequately or safely educated in public school without the provision of special education services;

~~[(A) physical disability;~~

~~[(B) intellectual or developmental disability;~~

~~[(C) emotional disturbance;~~

~~[(D) learning disability;~~

~~[(E) autism;~~

~~[(F) speech disability; or~~

~~[(G) traumatic brain injury].~~

SECTION 8. Sections 29.005(a), (d), and (e), Education Code, are amended to read as follows:

(a) Before a child is enrolled in a special education program of a school district, the district shall establish a committee composed of the persons required under 20 U.S.C. Section 1414(d) to develop the child's individualized education program. If a committee is required to include a general ~~[regular]~~ education teacher, the ~~[regular education]~~ teacher included must, to the extent practicable, be a teacher who is responsible for implementing a portion of the child's individualized education program.

(d) If the primary language of the child's parent is a language other than ~~[is unable to speak]~~ English, the district shall:

(1) provide the parent with a written or audiotaped copy of the child's individualized education program translated into Spanish if Spanish is the parent's primary ~~[native]~~ language; or

(2) if the parent's primary ~~[native]~~ language is a language other than Spanish, make a good faith effort to provide the parent with a written or audiotaped copy of the child's individualized education program translated into the parent's primary ~~[native]~~ language.

(e) The commissioner by rule may require a school district to include in the individualized education program of a student with autism ~~[or another pervasive developmental disorder]~~ any information or requirement determined necessary to ensure the student receives a free appropriate public education as required under the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.).

SECTION 9. Section 29.0051, Education Code, is amended by adding Subsection (d) to read as follows:

(d) From federal money appropriated or otherwise available for the purpose, the commissioner may develop or procure the model form developed under Subsection (a) in a digital format. If the commissioner develops or procures the model form in a digital format, the commissioner shall adopt rules regarding school district use of the form in that format.

SECTION 10. Subchapter A, Chapter 29, Education Code, is amended by adding Section 29.0056 to read as follows:

Sec. 29.0056. INFORMATION REGARDING STATE SUPPORTED LIVING CENTERS. (a) In this section, "state supported living center" has the meaning assigned by Section 531.002, Health and Safety Code.

(b) The Health and Human Services Commission, in collaboration with the agency and stakeholders who represent the full continuum of educational residential placement options, shall develop and provide to the agency materials regarding educational residential placement options for children who may qualify for placement in a state supported living center. The agency shall make the materials developed under this subsection available to school districts.

(c) At a meeting of a child's admission, review, and dismissal committee at which residential placement is discussed, the school district shall provide to the child's parent the materials developed under Subsection (b).

SECTION 11. Sections 29.006(a) and (c), Education Code, are amended to read as follows:

(a) The governor shall appoint a continuing advisory committee consistent with~~[, composed of 17 members, under]~~ 20 U.S.C. Section 1412(a)(21). At least one member appointed under this subsection must be a director of special education programs for a school district.

(c) Members of the committee are appointed for staggered terms of four years with the terms of half of the ~~[eight or nine]~~ members or, for an odd number of members, half of the members rounded down or half of the members rounded up expiring on February 1 of each odd-numbered year.

SECTION 12. Section 29.008, Education Code, is amended to read as follows:

Sec. 29.008. CONTRACTS FOR SERVICES; RESIDENTIAL AND DAY PLACEMENT PROGRAMS. (a) The commissioner shall set minimum standards for and develop and update as necessary a list of approved public or private facilities, institutions, agencies, or businesses inside or outside of this state that a ~~[A]~~ school district, shared services arrangement unit, or regional education service center may

contract with ~~[a public or private facility, institution, or agency inside or outside of this state]~~ for the provision of services to students with disabilities in a residential or day placement program.

~~(a-1) [Each contract for residential placement must be approved by the commissioner.]~~ The commissioner may approve a facility, institution, agency, or business under Subsection (a) [residential placement contract] only after at least a programmatic evaluation of personnel qualifications, costs, adequacy of physical plant and equipment, and curriculum content. ~~[The commissioner may approve either the whole or a part of a facility or program.]~~

(a-2) Each contract described by this section must be approved by the commissioner. A school district, shared services arrangement unit, or regional education service center seeking to place a student in a residential or day placement program that is not on the list developed under Subsection (a) must submit to the commissioner an application for approval in accordance with Subsections (a) and (a-1).

(b) Except as provided by Subsection (c), costs of an approved contract for residential placement may be paid from a combination of federal, state, and local funds. The local share of the total contract cost for each student is that portion of the local tax effort that exceeds the district's local fund assignment under Section 48.256, divided by the average daily attendance in the district. If the contract involves a private facility, the state share of the total contract cost is that amount remaining after subtracting the local share. If the contract involves a public facility, the state share is that amount remaining after subtracting the local share from the portion of the contract that involves the costs of instructional and related services. For purposes of this subsection, "local tax effort" means the total amount of money generated by taxes imposed for debt service and maintenance and operation less any amounts paid into a tax increment fund under Chapter 311, Tax Code. This subsection expires September 1, 2027.

(c) When a student, including one for whom the state is managing conservator, is placed primarily for care or treatment reasons in a private ~~[residential]~~ facility that operates its own private education program, none of the costs may be paid from public education funds. If a ~~[residential]~~ placement primarily for care or treatment reasons involves a private ~~[residential]~~ facility in which the education program is provided by the school district, the portion of the costs that includes appropriate education services, as determined by the school district's admission, review, and dismissal committee, shall be paid from state and federal education funds.

(d) A district that contracts for the provision of education services rather than providing the services itself shall oversee the implementation of the student's individualized education program and shall annually reevaluate the appropriateness of the arrangement. The reevaluation must include standards and expectations that must be met to reintegrate the student to the general education setting. An approved facility, institution, ~~[or]~~ agency, or business with whom the district contracts shall periodically report to the district and the agency on the services the student has received or will receive in accordance with the contract as well as diagnostic or other evaluative information that the district or agency requires in order to fulfill its obligations under this subchapter.



(e) The commissioner shall adopt rules for residential and day placement of students receiving special education services.

SECTION 13. The heading to Section 29.009, Education Code, is amended to read as follows:

Sec. 29.009. PUBLIC NOTICE CONCERNING EARLY CHILDHOOD SPECIAL EDUCATION ~~[PRESCHOOL]~~ PROGRAMS ~~[FOR STUDENTS WITH DISABILITIES]~~.

SECTION 14. Section 29.010, Education Code, is amended to read as follows:

Sec. 29.010. GENERAL SUPERVISION AND COMPLIANCE. (a) The agency shall develop ~~[adopt]~~ and implement a comprehensive system for monitoring school district compliance with federal and state laws relating to special education. The monitoring system must include a comprehensive cyclical process and a targeted risk-based process ~~[provide for ongoing analysis of district special education data and of complaints filed with the agency concerning special education services and for inspections of school districts at district facilities]~~. The agency shall establish criteria and instruments for use in determining district compliance under this section ~~[use the information obtained through analysis of district data and from the complaints management system to determine the appropriate schedule for and extent of the inspection]~~.

(a-1) As part of the monitoring system, the agency may require a school district to obtain specialized technical assistance for a documented noncompliance issue or if data indicates that technical assistance is needed, such as an incident involving injury to staff or students by a student receiving special education services or data indicating an excessive number of restraints are used on students receiving special education services.

(b) As part of the monitoring process ~~[To complete the inspection]~~, the agency must obtain information from parents and teachers of students in special education programs in the district.

(c) The agency shall develop and implement a system of interventions and sanctions for school districts the agency identifies as being in noncompliance with ~~[whose most recent monitoring visit shows a failure to comply with major requirements of]~~ the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.), federal regulations, state statutes, or agency requirements necessary to carry out federal law or regulations or state law relating to special education.

(d) The agency shall establish a system of progressive sanctions and enforcement provisions to apply to ~~[For]~~ districts that remain in noncompliance for more than one year~~[; the first stage of sanctions shall begin with annual or more frequent monitoring visits]~~. The ~~[Subsequent]~~ sanctions must ~~[may]~~ range in severity and may include [up to] the withholding of funds. If funds are withheld, the agency may use the funds, or direct the funds to be used, to provide, through alternative arrangements, services to students and staff members in the district from which the funds are withheld.

(e) The agency's complaint management division shall develop a system for expedited investigation and resolution of complaints concerning a district's failure to provide special education or related services to a student eligible to participate in the district's special education program.

~~[(f) This section does not create an obligation for or impose a requirement on a school district or open enrollment charter school that is not also created or imposed under another state law or a federal law.]~~

SECTION 15. Section 29.012(d), Education Code, is amended to read as follows:

(d) The Texas Education Agency, the Health and Human Services Commission, the Department of Family and Protective Services, and the Texas Juvenile Justice Department by a cooperative effort shall develop and ~~[by rule]~~ adopt a memorandum of understanding. The memorandum must:

(1) establish the respective responsibilities of school districts and of residential facilities for the provision of a free, appropriate public education, as required by the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) and its subsequent amendments, including each requirement for children with disabilities who reside in those facilities;

(2) coordinate regulatory and planning functions of the parties to the memorandum;

(3) establish criteria for determining when a public school will provide educational services;

(4) provide for appropriate educational space when education services will be provided at the residential facility;

(5) establish measures designed to ensure the safety of students and teachers; and

(6) provide for binding arbitration consistent with Chapter 2009, Government Code, and Section 154.027, Civil Practice and Remedies Code.

SECTION 16. Section 29.013, Education Code, is amended to read as follows:

Sec. 29.013. NONEDUCATIONAL COMMUNITY-BASED SUPPORT SERVICES GRANTS FOR CERTAIN STUDENTS WITH DISABILITIES. (a) The commissioner [agency] shall adopt rules establishing [establish] procedures and criteria for the allocation of grants [funds appropriated] under this section to students who are eligible under Subsection (b) and the students' families [school districts] for the provision of noneducational community-based support services [to certain students with disabilities and their families so that those students may receive an appropriate free public education in the least restrictive environment].

(b) A grant [The funds] may be awarded under this section [used] only to a student with a disability [for eligible students with disabilities] who is [would remain or would have to be] placed by the student's admission, review, and dismissal committee in:

(1) a residential program approved under Section 29.008; or

(2) a day placement program and is at risk of being placed in a residential program approved under Section 29.008 [facilities primarily for educational reasons without the provision of noneducational community-based support services].

(c) The support services may not be related to the provision of a free appropriate public education to the student and may include in-home family support, behavioral and other disability-related supports for the student's family, respite care, and case management for the student's family [families with a student who otherwise would have been placed by a district in a private residential facility].

(d) A school district shall:

(1) notify the parent of a student described by Subsection (b) of the availability of grants under this section; and

(2) designate a campus or district staff member to assist families of students described by Subsection (b) in accessing grants under this section.

(e) On request by the parent of a student described by Subsection (b), the commissioner shall create an account for the student to access a grant under this section through which the parent may request payment for approved support services.

(f) In adopting rules under this section, the commissioner shall adopt rules and guidelines detailing the process to access grant money and the amount of each grant, including a process for a parent to apply for an increase in the grant amount.

(g) The provision of services under this section does not supersede or limit the responsibility of a school district or other agencies to provide or pay for costs [of noneducational community-based support services] to enable any student with disabilities to receive a free appropriate public education in the least restrictive environment. [Specifically, services provided under this section may not be used for a student with disabilities who is currently placed or who needs to be placed in a residential facility primarily for noneducational reasons.]

(h) The commissioner may designate a regional education service center to administer grants under this section.

SECTION 17. Sections 29.014(c) and (d), Education Code, are amended to read as follows:

(c) Notwithstanding any other provision of this code, a student whose appropriate education program is a general [regular] education program may receive services and be counted for attendance purposes for the number of hours per week appropriate for the student's condition if the student:

(1) is temporarily classified as eligible for participation in a special education program because of the student's confinement in a hospital; and

(2) the student's education is provided by a district to which this section applies.

(d) The basic allotment for a student enrolled in a district to which this section applies is adjusted by the tier of intensity of service defined in accordance with [weight for a homebound student under] Section 48.102 and designated by commissioner rule for use under this section [48.102(a)].

SECTION 18. Section 29.0162(b), Education Code, is amended to read as follows:

(b) The commissioner by rule shall adopt additional qualifications and requirements for a representative for purposes of Subsection (a)(2). The rules must:

(1) prohibit an individual from being a representative under Subsection (a)(2) opposing a school district if:

(A) the individual has prior employment experience with the district; and

(B) the district raises an objection to the individual serving as a representative;

(2) include requirements that the representative have knowledge of:

(A) all special education dispute resolution options available to parents, including due process and due process rules, hearings, and procedure; and

(B) federal and state special education laws;

(3) require, if the representative receives monetary compensation from a person for representation in an impartial due process hearing, that the representative agree to abide by a voluntary code of ethics and professional conduct during the period of representation; and

(4) require, if the representative receives monetary compensation from a person for representation in an impartial due process hearing, that the representative enter into a written agreement for representation with the person who is the subject of the special education due process hearing that includes a process for resolving any disputes between the representative and the person.

SECTION 19. Section 29.018(b), Education Code, is amended to read as follows:

(b) A school district is eligible to apply for a grant under this section if:

(1) the district does not receive sufficient funds, including state funds provided under Sections ~~[Section]~~ 48.102 and 48.1021 and federal funds, for a student with disabilities to pay for the special education services provided to the student; or

(2) the district does not receive sufficient funds, including state funds provided under Sections ~~[Section]~~ 48.102 and 48.1021 and federal funds, for all students with disabilities in the district to pay for the special education services provided to the students.

SECTION 20. The heading to Section 29.020, Education Code, is amended to read as follows:

Sec. 29.020. STATE-ADMINISTERED INDIVIDUALIZED EDUCATION PROGRAM FACILITATION ~~[PROJECT]~~.

SECTION 21. Sections 29.020(a) and (c), Education Code, are amended to read as follows:

(a) The agency shall develop rules in accordance with this section applicable to state-administered ~~[the administration of a state]~~ individualized education program facilitation ~~[project]~~. The program shall include the provision of an independent individualized education program facilitator as a dispute resolution method that may be used to avoid a potential dispute between a school district and a parent of a student with a disability or to facilitate an admission, review, and dismissal committee meeting with parties who are in a dispute about decisions relating to the provision of a free appropriate public education to a student with a disability. Facilitation ~~[implemented under the project]~~ must comply with rules developed under this subsection.

(c) If the commissioner determines that adequate funding is available, the commissioner may authorize the use of federal funds to implement ~~[the]~~ individualized education program facilitation ~~[project]~~ in accordance with this section.

SECTION 22. Sections 29.022(a), (a-1), (b), (c), (c-1), (d), (f), (h), (k), (l), (q), (s), and (t), Education Code, are amended to read as follows:

(a) In order to promote student safety, on receipt of a written request authorized under Subsection (a-1), a school district or open-enrollment charter school shall provide equipment, including a video camera, to the school or schools in the district

or the charter school campus or campuses specified in the request. A school or campus that receives equipment as provided by this subsection shall place, operate, and maintain one or more video cameras in special education ~~[self-contained]~~ classrooms and other special education settings ~~[in which a majority of the students in regular attendance are provided special education and related services and are assigned to one or more self-contained classrooms or other special education settings for at least 50 percent of the instructional day]~~, provided that:

(1) a school or campus that receives equipment as a result of the request by a parent or staff member is required to place equipment only in classrooms or settings in which the parent's child is in regular attendance or to which the staff member is assigned, as applicable; and

(2) a school or campus that receives equipment as a result of the request by a board of trustees, governing body, principal, or assistant principal is required to place equipment only in classrooms or settings identified by the requestor, if the requestor limits the request to specific classrooms or settings subject to this subsection.

(a-1) For purposes of Subsection (a):

(1) a parent of a child who receives special education services in one or more special education ~~[self-contained]~~ classrooms or other special education settings may request in writing that equipment be provided to the school or campus at which the child receives those services;

(2) a board of trustees or governing body may request in writing that equipment be provided to one or more specified schools or campuses at which one or more children receive special education services in special education ~~[self-contained]~~ classrooms or other special education settings;

(3) the principal or assistant principal of a school or campus at which one or more children receive special education services in special education ~~[self-contained]~~ classrooms or other special education settings may request in writing that equipment be provided to the principal's or assistant principal's school or campus; and

(4) a staff member assigned to work with one or more children receiving special education services in special education ~~[self-contained]~~ classrooms or other special education settings may request in writing that equipment be provided to the school or campus at which the staff member works.

(b) A school or campus that places a video camera in a special education classroom or other special education setting in accordance with Subsection (a) shall operate and maintain the video camera in the classroom or setting, as long as the classroom or setting continues to satisfy the requirements under Subsection (a), for the remainder of the school year in which the school or campus received the request, unless the requestor withdraws the request in writing. If for any reason a school or campus will discontinue operation of a video camera during a school year, not later than the fifth school day before the date the operation of the video camera will be discontinued, the school or campus must notify the parents of each student in regular attendance in the classroom or setting that operation of the video camera will not continue unless requested by a person eligible to make a request under Subsection (a-1). Not later than the 10th school day before the end of each school year, the school or campus must notify the parents of each student in regular attendance in the

classroom or setting that operation of the video camera will not continue during the following school year unless a person eligible to make a request for the next school year under Subsection (a-1) submits a new request.

(c) Except as provided by Subsection (c-1), video cameras placed under this section must be capable of:

(1) covering all areas of the special education classroom or other special education setting, including a room attached to the classroom or setting used for time-out; and

(2) recording audio from all areas of the special education classroom or other special education setting, including a room attached to the classroom or setting used for time-out.

(c-1) The inside of a bathroom or any area in the special education classroom or other special education setting in which a student's clothes are changed may not be visually monitored, except for incidental coverage of a minor portion of a bathroom or changing area because of the layout of the classroom or setting.

(d) Before a school or campus activates a video camera in a special education classroom or other special education setting under this section, the school or campus shall provide written notice of the placement to all school or campus staff and to the parents of each student attending class or engaging in school activities in the classroom or setting.

(f) A school district or open-enrollment charter school may solicit and accept gifts, grants, and donations from any person for use in placing video cameras in special education classrooms or other special education settings under this section.

(h) A school district or open-enrollment charter school may not:

(1) allow regular or continual monitoring of video recorded under this section; or

(2) use video recorded under this section for teacher evaluation or for any other purpose other than the promotion of safety of students receiving special education services in a special education [~~self-contained~~] classroom or other special education setting.

(k) The commissioner may adopt rules to implement and administer this section, including rules regarding the special education classrooms and other special education settings to which this section applies.

(l) A school district or open-enrollment charter school policy relating to the placement, operation, or maintenance of video cameras under this section must:

(1) include information on how a person may appeal an action by the district or school that the person believes to be in violation of this section or a policy adopted in accordance with this section, including the appeals process under Section 7.057;

(2) require that the district or school provide a response to a request made under this section not later than the seventh school business day after receipt of the request by the person to whom it must be submitted under Subsection (a-3) that authorizes the request or states the reason for denying the request;

(3) except as provided by Subdivision (5), require that a school or a campus begin operation of a video camera in compliance with this section not later than the 45th school business day, or the first school day after the 45th school business day if that day is not a school day, after the request is authorized unless the agency grants an extension of time;

(4) permit the parent of a student whose admission, review, and dismissal committee has determined that the student's placement for the following school year will be in a special education classroom or other special education setting in which a video camera may be placed under this section to make a request for the video camera by the later of:

(A) the date on which the current school year ends; or

(B) the 10th school business day after the date of the placement determination by the admission, review, and dismissal committee; and

(5) if a request is made by a parent in compliance with Subdivision (4), unless the agency grants an extension of time, require that a school or campus begin operation of a video camera in compliance with this section not later than the later of:

(A) the 10th school day of the fall semester; or

(B) the 45th school business day, or the first school day after the 45th school business day if that day is not a school day, after the date the request is made.

(q) The agency shall collect through the Public Education Information Management System (PEIMS) data relating to requests made under this section and actions taken by a school district or open-enrollment charter school in response to a request, including the number of requests made, authorized, and denied.

(s) This section applies to the placement, operation, and maintenance of a video camera in a special education [~~self-contained~~] classroom or other special education setting during the regular school year and extended school year services.

(t) A video camera placed under this section is not required to be in operation for the time during which students are not present in the special education classroom or other special education setting.

SECTION 23. Sections 29.022(u)(3) and (4), Education Code, are amended to read as follows:

(3) "Special education classroom or other special education setting" means a classroom or setting primarily used for delivering special education services to students who spend on average less than 50 percent of an instructional day in a general education classroom or setting ["Self-contained classroom" does not include a classroom that is a resource room instructional arrangement under Section 48.102].

(4) "Staff member" means a teacher, related service provider, paraprofessional, counselor, or educational aide assigned to work in a special education [~~self-contained~~] classroom or other special education setting.

SECTION 24. Subchapter A, Chapter 29, Education Code, is amended by adding Sections 29.024 and 29.026 to read as follows:

Sec. 29.024. GRANT PROGRAM PROVIDING TRAINING IN DYSLEXIA FOR TEACHERS AND STAFF. (a) From money appropriated or otherwise available for the purpose, the commissioner shall establish a program to award grants each school year to school districts and open-enrollment charter schools to increase local capacity to appropriately serve students with dyslexia.

(b) A school district, including a school district acting through a district charter issued under Subchapter C, Chapter 12, or an open-enrollment charter school, including a charter school that primarily serves students with disabilities, as provided under Section 12.1014, is eligible to apply for a grant under this section if the district or school submits to the commissioner a proposal on the use of grant funds that:

(1) incorporates evidence-based and research-based design; and

(2) increases local capacity to appropriately serve students with dyslexia by providing:

(A) high-quality training to classroom teachers and administrators in meeting the needs of students with dyslexia; or

(B) training to intervention staff resulting in appropriate credentialing related to dyslexia, with priority for training staff to earn the credentials necessary to become a licensed dyslexia therapist or certified academic language therapist.

(c) The commissioner shall create an external panel of stakeholders, including parents of students with disabilities, to provide assistance in the selection of applications for the award of grants under this section.

(d) A grant awarded to a school district or open-enrollment charter school under this section is in addition to the Foundation School Program money that the district or charter school is otherwise entitled to receive. A grant awarded under this section may not come out of Foundation School Program money.

(e) The commissioner and any grant recipient selected under this section may accept gifts, grants, and donations from any public or private source, person, or group to implement and administer the grant. The commissioner and any grant recipient selected under this section may not require any financial contribution from parents to implement and administer the grant.

(f) A regional education service center may administer grants awarded under this section.

Sec. 29.026. RULES. The commissioner may adopt rules as necessary to implement this subchapter.

SECTION 25. The heading to Subchapter A-1, Chapter 29, Education Code, is amended to read as follows:

SUBCHAPTER A-1. PARENT-DIRECTED ~~[SUPPLEMENTAL SPECIAL EDUCATION]~~ SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES ~~[PROGRAM]~~

SECTION 26. Sections 29.041(2) and (3), Education Code, are amended to read as follows:

(2) "Supplemental ~~[special education]~~ instructional materials" includes textbooks, computer hardware or software, other technological devices, and other materials suitable for addressing an educational need of a student receiving special education services under Subchapter A.

(3) "Supplemental ~~[special education]~~ services" means an additive service that provides an educational benefit to a student receiving special education services under Subchapter A, including:

(A) occupational therapy, physical therapy, and speech therapy; and

(B) private tutoring and other supplemental private instruction or programs.



SECTION 27. Section 29.042, Education Code, is amended by amending Subsections (a) and (c) and adding Subsection (e) to read as follows:

(a) The agency by rule shall establish and administer a parent-directed ~~[supplemental special education services and instructional materials]~~ program for students receiving special education services through which a parent may direct supplemental services and supplemental instructional materials for the parent's student ~~[students]~~ who meets ~~[meet]~~ the eligibility requirements for participation in the program. Subject to Subsection (c) and Section 48.306(f), the agency shall provide each student approved as provided by this subchapter a grant in the amount provided under Section 48.306 ~~[of not more than \$1,500]~~ to purchase supplemental ~~[special education]~~ services and supplemental ~~[special education]~~ instructional materials. If the agency receives more acceptable applications for a grant for a school year than available funding for that school year, the agency shall award grants in the order in which the applications were received and place remaining students on a waitlist for the subsequent school year.

(c) A student may receive one grant under this subchapter unless the legislature appropriates money for an additional grant in the General Appropriations Act ~~[The commissioner shall set aside an amount set by appropriation for each state fiscal year to fund the program under this section. For each state fiscal year, the total amount provided for student grants under Subsection (a) may not exceed the amount set aside by the commissioner under this subsection].~~

(e) The agency shall maintain an online user-friendly application system for parents to apply for a grant described by Subsection (a).

SECTION 28. Section 29.045, Education Code, is amended to read as follows:

Sec. 29.045. APPROVAL OF APPLICATION; ASSIGNMENT OF ACCOUNT. ~~The~~ ~~[Subject to available funding the]~~ agency shall approve each student who meets the program eligibility criteria established under Section 29.044 and assign to the student an account maintained under Section 29.042(b). The account may only be used by the student's parent to purchase supplemental ~~[special education]~~ services or supplemental ~~[special education]~~ instructional materials for the student, subject to Sections 29.046 and 29.047.

SECTION 29. Sections 29.046(a) and (b), Education Code, are amended to read as follows:

(a) Money in an account assigned to a student under Section 29.045 may be used only for supplemental ~~[special education]~~ services and supplemental ~~[special education]~~ instructional materials.

(b) Supplemental ~~[special education]~~ services must be provided by an agency-approved provider.

SECTION 30. Sections 29.047(a), (c), (d), and (e), Education Code, are amended to read as follows:

(a) The agency shall establish criteria necessary for agency approval for each category of provider of a professional service that is a supplemental ~~[special education]~~ service, as identified by the agency.

(c) The agency shall provide a procedure for providers of supplemental ~~[special education]~~ services to apply to the agency to become an agency-approved provider.

(d) The agency may establish criteria for agency approval of vendors for each category of supplemental ~~[special education]~~ instructional materials identified by the agency.

(e) If the agency establishes criteria for agency approval for a vendor of a category of supplemental ~~[special education]~~ instructional materials, the agency shall provide a procedure for vendors of that category to apply to the agency to become an agency-approved vendor.

SECTION 31. Subchapter A-1, Chapter 29, Education Code, is amended by adding Section 29.0475 to read as follows:

Sec. 29.0475. PROGRAM PARTICIPANT, PROVIDER, AND VENDOR AUTONOMY. (a) A provider of supplemental services or vendor of supplemental instructional materials that receives money distributed under the program is not a recipient of federal financial assistance on the basis of receiving that money.

(b) A rule adopted or action taken related to the program by an individual, governmental entity, court of law, or program administrator may not:

(1) consider the actions of a provider of supplemental services, vendor of supplemental instructional materials, or program participant to be the actions of an agent of state government;

(2) limit:

(A) a provider of supplemental services' ability to determine the methods used to educate the provider's students or to exercise the provider's religious or institutional values; or

(B) a program participant's ability to determine the participant's educational content or to exercise the participant's religious values;

(3) obligate a provider of supplemental services or program participant to act contrary to the provider's or participant's religious or institutional values, as applicable;

(4) impose any regulation on a provider of supplemental services, vendor of supplemental instructional materials, or program participant beyond those regulations necessary to enforce the requirements of the program; or

(5) require as a condition of receiving money distributed under the program:

(A) a provider of supplemental services to modify the provider's creed, practices, admissions policies, curriculum, performance standards, employment policies, or assessments; or

(B) a program participant to modify the participant's creed, practices, curriculum, performance standards, or assessments.

(c) In a proceeding challenging a rule adopted by a state agency or officer under this subchapter, the agency or officer has the burden of proof to establish by clear and convincing evidence that the rule:

(1) is necessary to implement or enforce the program as provided by this subchapter;

(2) does not violate this section;

(3) does not impose an undue burden on a program participant or a provider of supplemental services or vendor of supplemental instructional materials that participates or applies to participate in the program; and

(4) is the least restrictive means of accomplishing the purpose of the program while recognizing the independence of a provider of supplemental services to meet the educational needs of students in accordance with the provider's religious or institutional values.

SECTION 32. Section 29.048, Education Code, is amended to read as follows:

Sec. 29.048. ADMISSION, REVIEW, AND DISMISSAL COMMITTEE DUTIES. (a) A student's admission, review, and dismissal committee shall develop a student's individualized education program under Section 29.005, in compliance with the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.), without consideration of any supplemental ~~[special education]~~ services or supplemental instructional materials that may be provided under the program under this subchapter.

(b) Unless the district first verifies that an account has been assigned to the student under Section 29.045, the ~~[The]~~ admission, review, and dismissal committee of a student approved for participation in the program shall provide to the student's parent at an admission, review, and dismissal committee meeting for the student:

(1) information regarding the types of supplemental ~~[special education]~~ services or supplemental instructional materials available under the program and provided by agency-approved providers for which an account maintained under Section 29.042(b) for the student may be used; and

(2) instructions regarding accessing an account described by Subdivision (1).

SECTION 33. Subchapter A-1, Chapter 29, Education Code, is amended by adding Section 29.0485 to read as follows:

Sec. 29.0485. DETERMINATION OF COMMISSIONER FINAL. Notwithstanding Section 7.057, a determination of the commissioner under this subchapter is final and may not be appealed.

SECTION 34. Section 29.049, Education Code, is amended to read as follows:

Sec. 29.049. RULES. The commissioner shall adopt rules as necessary to administer the supplemental ~~[special education]~~ services and supplemental instructional materials program under this subchapter.

SECTION 35. Section 29.301(1), Education Code, is amended to read as follows:

(1) "Admission, review, and dismissal committee" means the committee required by ~~[State Board of Education rules to develop the individualized education program required by]~~ the Individuals with Disabilities Education Act (20 U.S.C. Section 1400 et seq.) for any student needing special education.

SECTION 36. Sections 29.304(a) and (c), Education Code, are amended to read as follows:

(a) A student who is deaf or hard of hearing must have an education in which teachers, psychologists, speech language pathologists ~~[therapists]~~, progress assessors, administrators, and others involved in education understand the unique nature of deafness and the hard-of-hearing condition. A teacher of students who are deaf or hard of hearing either must be proficient in appropriate language modes or use an interpreter certified in appropriate language modes if certification is available.

(c) General [Regular] and special education personnel who work with students who are deaf or hard of hearing must be adequately prepared to provide educational instruction and services to those students.

SECTION 37. Section 29.310, Education Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c) The procedures and materials for the assessment and placement of a student who is deaf or hard of hearing shall be in the student's preferred mode of communication. All other procedures and materials used with any student who is deaf or hard of hearing and who is an emergent bilingual student as defined by Section 29.052 ~~[has limited English proficiency]~~ shall be in the student's preferred mode of communication.

(d) In recognizing the need for development of language and communication abilities in students who are deaf or hard of hearing but also calling for the use of methods of communication that will meet the needs of each individual student, each student who is deaf or hard of hearing must be thoroughly assessed to ascertain the student's potential for communicating through a variety of means.

SECTION 38. Section 29.313, Education Code, is amended to read as follows:

Sec. 29.313. EVALUATION OF DEAF AND HARD OF HEARING SERVICES [PROGRAMS]. (a) Each school district must provide continuous evaluation of the effectiveness of the district's services ~~[programs of the district]~~ for students who are deaf or hard of hearing. The [If practicable,] evaluations shall follow program excellence indicators established by the agency.

(b) Each school district shall submit the evaluations under this section to the agency on a schedule set by the agency.

SECTION 39. Section 29.314, Education Code, is amended to read as follows:

Sec. 29.314. TRANSITION INTO GENERAL EDUCATION [REGULAR] CLASS. In addition to satisfying requirements of the admission, review, and dismissal committee and to satisfying requirements under state and federal law for vocational training, each school district shall develop and implement a transition plan for the transition of a student who is deaf or hard of hearing into a general education [regular] class ~~[program]~~ if the student is to be transferred from a special class or center or nonpublic, nonsectarian school into a general education [regular] class in a public school for any part of the school day. The transition plan must provide for activities:

(1) to integrate the student into the general [regular] education program and specify the nature of each activity and the time spent on the activity each day; and

(2) to support the transition of the student from the special education program into the general [regular] education program.

SECTION 40. Section 29.315, Education Code, is amended to read as follows:

Sec. 29.315. TEXAS SCHOOL FOR THE DEAF MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Deaf shall develop~~[- agree to, and by commissioner rule adopt no later than September 1, 1998,]~~ a memorandum of understanding to establish:

(1) the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Deaf;

(2) the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;

(3) the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school; and

~~(4) [the process for the agency to assign an accreditation status to the school, to reevaluate the status on an annual basis, and, if necessary, to conduct monitoring reviews; and~~

~~(5) the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).~~

SECTION 41. Section 29.316, Education Code, is amended to read as follows:

Sec. 29.316. LANGUAGE ACQUISITION. (a) In this section, "language" ~~is~~

~~[(1) "Center" means the Educational Resource Center on Deafness at the Texas School for the Deaf.~~

~~[(2) "Division" means the Division for Early Childhood Intervention Services of the Health and Human Services Commission.~~

~~[(3) "Language] acquisition" includes expressive and receptive language acquisition and literacy development in English, American Sign Language, or both, or, if applicable, in another language primarily used by a child's parent or guardian, and is separate from any modality used to communicate in the applicable language or languages.~~

(b) Each school district ~~[The commissioner and the executive commissioner of the Health and Human Services Commission jointly]~~ shall ensure that the language acquisition of each child eight years of age or younger who is deaf or hard of hearing is regularly assessed using a tool or assessment approved by the commissioner ~~[determined to be valid and reliable as provided by Subsection (d)].~~

(c) On a schedule determined by the commissioner, each school district shall report to the commissioner through the Public Education Information Management System (PEIMS) or another method set by commissioner rule the assessment data collected under Subsection (b) ~~[Not later than August 31 of each year, the agency, the division, and the center jointly shall prepare and post on the agency's, the division's, and the center's respective Internet websites a report on the language acquisition of children eight years of age or younger who are deaf or hard of hearing. The report must:~~

~~[(1) include:~~

~~[(A) existing data reported in compliance with federal law regarding children with disabilities; and~~

~~[(B) information relating to the language acquisition of children who are deaf or hard of hearing and also have other disabilities;~~

~~[(2) state for each child:~~

~~[(A) the instructional arrangement used with the child, as described by Section 48.102, including the time the child spends in a mainstream instructional arrangement;~~

~~[(B) the specific language acquisition services provided to the child, including:~~

~~[(i) the time spent providing those services; and~~

~~[(ii) a description of any hearing amplification used in the delivery of those services, including:~~

~~[(a) the type of hearing amplification used;~~

~~[(b) the period of time in which the child has had access to the hearing amplification; and~~

~~[(c) the average amount of time the child uses the hearing amplification each day;~~

~~[(C) the tools or assessments used to assess the child's language acquisition and the results obtained;~~

~~[(D) the preferred unique communication mode used by the child at home; and~~

~~[(E) the child's age, race, and gender, the age at which the child was identified as being deaf or hard of hearing, and any other relevant demographic information the commissioner determines to likely be correlated with or have an impact on the child's language acquisition;~~

~~[(3) compare progress in English literacy made by children who are deaf or hard of hearing to progress in that subject made by children of the same age who are not deaf or hard of hearing, by appropriate age range; and~~

~~[(4) be redacted as necessary to comply with state and federal law regarding the confidentiality of student medical or educational information].~~

~~(d) The commissioner[, the executive commissioner of the Health and Human Services Commission, and the center] shall adopt rules establishing the assessment data required to be reported under Subsection (c) [enter into a memorandum of understanding regarding:~~

~~[(1) the identification of experts in deaf education; and~~

~~[(2) the determination, in consultation with those experts, of the tools and assessments that are valid and reliable, in both content and administration, for use in assessing the language acquisition of children eight years of age or younger who are deaf or hard of hearing].~~

~~(e) The commissioner shall annually post on the agency's Internet website a report on the language acquisition of children eight years of age or younger who are deaf or hard of hearing using the assessment data reported under Subsection (c) [agency shall use existing collected data and data collected and transferred from the Department of State Health Services and the Health and Human Services Commission, as agreed upon in the memorandum of understanding, for the report under this section].~~

~~(f) The commissioner shall use the assessment data reported under Subsection (c) in determining whether to award a grant under Section 29.018 or in seeking federal money available for projects aimed at improving outcomes for students with disabilities [and the executive commissioner of the Health and Human Services Commission jointly shall adopt rules as necessary to implement this section, including rules for:~~

~~[(1) assigning each child eight years of age or younger who is deaf or hard of hearing a unique identification number for purposes of the report required under Subsection (c) and to enable the tracking of the child's language acquisition, and factors affecting the child's language acquisition, over time; and~~

~~[(2) implementing this section in a manner that complies with federal law regarding confidentiality of student medical or educational information, including the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Section 1320d et seq.) and the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g), and any state law relating to the privacy of student information].~~

SECTION 42. The heading to Section 30.002, Education Code, is amended to read as follows:

Sec. 30.002. STATE PLAN [EDUCATION] FOR CHILDREN WITH VISUAL IMPAIRMENTS, WHO ARE DEAF OR HARD OF HEARING, OR WHO ARE DEAF-BLIND.

SECTION 43. Sections 30.002(a), (b), (c), and (e), Education Code, are amended to read as follows:

(a) The agency shall develop and administer a comprehensive statewide plan for the education of children ~~[with visual impairments]~~ who are under 22 [24] years of age and who have visual impairments, are deaf or hard of hearing, or are deaf-blind that will ensure that the children have an opportunity for achievement equal to the opportunities afforded their peers who do not have visual impairments, are not deaf or hard of hearing, or are not deaf-blind ~~[with normal vision]~~.

(b) The agency shall:

(1) develop standards and guidelines for all special education and related services for children who have visual impairments, are deaf or hard of hearing, or are deaf-blind [with visual impairments] that it is authorized to provide or support under this code and federal law;

(2) supervise regional education service centers and other entities in assisting school districts in serving children who have visual impairments, are deaf or hard of hearing, or are deaf-blind [with visual impairments] more effectively; and

(3) ~~[develop and administer special education services for students with both serious visual and auditory impairments;~~

~~[(4) evaluate special education services provided for children with visual impairments by school districts and approve or disapprove state funding of those services; and~~

~~[(5)]~~ maintain an effective liaison between special education programs provided for children who have visual impairments, are deaf or hard of hearing, or are deaf-blind ~~[with visual impairments]~~ by school districts and related initiatives of the Health and Human Services Commission, ~~[the Department of State Health Services Mental Health and Substance Abuse Division]~~, the Texas Workforce Commission, and other related programs, agencies, or facilities as appropriate.

(c) The comprehensive statewide plan for the education of children who have visual impairments, are deaf or hard of hearing, or are deaf-blind [with visual impairments] must:

(1) adequately provide for comprehensive diagnosis and evaluation of each school-age child who has a visual impairment, is deaf or hard of hearing, or is deaf-blind and adequately outline the expectations of a school district for such a child under three years of age [with a serious visual impairment];

(2) include the procedures, format, and content of the individualized education program for each child who has a visual impairment, is deaf or hard of hearing, or is deaf-blind ~~[with a visual impairment]~~;

(3) emphasize providing educational services to children who have visual impairments, are deaf or hard of hearing, or are deaf-blind ~~[with visual impairments]~~ in their home communities whenever possible;

(4) include information regarding the establishment of regional day school programs for the deaf under Subchapter D and the parameters of those programs ~~[methods to ensure that children with visual impairments receiving special education services in school districts receive, before being placed in a classroom setting or within a reasonable time after placement:~~

~~[(A) evaluation of the impairment; and~~

~~[(B) instruction in an expanded core curriculum, which is required for students with visual impairments to succeed in classroom settings and to derive lasting, practical benefits from the education provided by school districts, including instruction in:~~

~~[(i) compensatory skills, such as braille and concept development, and other skills needed to access the rest of the curriculum;~~

~~[(ii) orientation and mobility;~~

~~[(iii) social interaction skills;~~

~~[(iv) career planning;~~

~~[(v) assistive technology, including optical devices;~~

~~[(vi) independent living skills;~~

~~[(vii) recreation and leisure enjoyment;~~

~~[(viii) self determination; and~~

~~[(ix) sensory efficiency];~~

(5) provide for flexibility on the part of school districts to meet the unique ~~[special]~~ needs of children who have visual impairments, are deaf or hard of hearing, or are deaf-blind ~~[with visual impairments]~~ through:

(A) specialty staff and resources provided by the district;

(B) contractual arrangements with other qualified public or private agencies;

(C) supportive assistance from regional education service centers or adjacent school districts;

(D) short-term or long-term services through the Texas School for the Blind and Visually Impaired, the Texas School for the Deaf, regional day school programs for the deaf, or related facilities or programs; or

(E) other instructional and service arrangements approved by the agency;

(6) ~~[include a statewide admission, review, and dismissal process;~~

~~[(7)]~~ provide for effective interaction between the ~~[visually impaired child's]~~ classroom setting of the child who has a visual impairment, is deaf or hard of hearing, or is deaf-blind and the child's home environment, including providing for parental training and counseling either by school district staff or by representatives of other organizations directly involved in the development and implementation of the individualized education program for the child;



(7) describe recommended and required professional development activities based on the special education and related services provided by school district staff to children who have visual impairments, are deaf or hard of hearing, or are deaf-blind  
~~[(8) require the continuing education and professional development of school district staff providing special education services to children with visual impairments];~~

(8) [(9)] provide for adequate monitoring and precise evaluation of special education services provided to children who have visual impairments, are deaf or hard of hearing, or are deaf-blind [with visual impairments] through school districts; [and]

(9) [(10)] require that school districts providing special education services to children who have visual impairments, are deaf or hard of hearing, or are deaf-blind [with visual impairments] develop procedures for assuring that staff assigned to work with the children have prompt and effective access directly to resources available through:

(A) cooperating agencies in the area;

(B) the Texas School for the Blind and Visually Impaired;

(C) the Texas School for the Deaf;

(D) the statewide outreach center at the Texas School for the Deaf;

(E) the Central Media Depository for specialized instructional materials and aids made specifically for use by students with visual impairments;

(F) [(F)] sheltered workshops participating in the state program of purchases of blind-made goods and services; and

(G) [(G)] related sources; and

(10) assist in the coordination of educational programs with other public and private agencies, including:

(A) agencies operating early childhood intervention programs;

(B) preschools;

(C) agencies operating child development programs;

(D) private nonsectarian schools;

(E) agencies operating regional occupational centers and programs; and

(F) as appropriate, postsecondary and adult programs for persons who are deaf or hard of hearing.

(e) Each eligible [blind or visually impaired] student who has a visual impairment, is deaf or hard of hearing, or is deaf-blind is entitled to receive educational programs according to an individualized education program that:

(1) is developed in accordance with federal and state requirements for providing special education services;

(2) is developed by a committee composed as required by federal law;

(3) reflects that the student has been provided a detailed explanation of the various service resources available to the student in the community and throughout the state;

(4) provides a detailed description of the arrangements made to provide the student with the evaluation and instruction required under this subchapter and Subchapter A, Chapter 29 [Subsection (e)(4)]; and

(5) sets forth the plans and arrangements made for contacts with and continuing services to the student beyond regular school hours to ensure the student learns the skills and receives the instruction required under this subchapter and Subchapter A, Chapter 29 [Subsection (e)(4)(B)].

SECTION 44. Subchapter A, Chapter 30, Education Code, is amended by adding Section 30.0021 to read as follows:

Sec. 30.0021. REQUIREMENTS FOR CHILDREN WITH VISUAL IMPAIRMENTS. (a) Each child with a visual impairment must receive instruction in an expanded core curriculum required for children with visual impairments to succeed in classroom settings and to derive lasting, practical benefits from education in a school district, including instruction in:

(1) compensatory skills, such as braille and concept development, and other skills necessary to access the rest of the curriculum;

(2) orientation and mobility;

(3) social interaction skills;

(4) career education;

(5) assistive technology, including optical devices;

(6) independent living skills;

(7) recreation and leisure enjoyment;

(8) self-determination; and

(9) sensory efficiency.

(b) To determine a child's eligibility for a school district's special education program under Subchapter A, Chapter 29, on the basis of a visual impairment, the full individual and initial evaluation of the child under Section 29.004 and any reevaluation of the child must, in accordance with commissioner rule:

(1) include an orientation and mobility evaluation conducted:

(A) by a person who is appropriately certified as an orientation and mobility specialist, as determined by commissioner rule; and

(B) in a variety of lighting conditions and settings, including in the child's home, school, and community and in settings unfamiliar to the child; and

(2) provide for a person who is appropriately certified as an orientation and mobility specialist, as determined by commissioner rule, to participate, as part of a multidisciplinary team, in evaluating the data on which the determination of the child's eligibility is based.

(c) In developing an individualized education program under Section 29.005 for a child with a visual impairment, proficiency in reading and writing must be a significant indicator of the child's satisfactory educational progress. The individualized education program must include instruction in braille and the use of braille unless the child's admission, review, and dismissal committee documents a determination, based on an evaluation of the child's appropriate literacy media and literacy skills and the child's current and future instructional needs, that braille is not an appropriate literacy medium for the child.

(d) Braille instruction:

(1) may be used in combination with other special education services appropriate to the educational needs of a child with a visual impairment; and

(2) must be provided by a teacher certified to teach children with visual impairments under Subchapter B, Chapter 21.

(e) A school district shall provide to each person assisting in the development of an individualized education program for a child with a visual impairment information describing the benefits of braille instruction.

(f) To facilitate implementation of this section, the commissioner shall develop a system to distribute from the foundation school fund to school districts or regional education service centers a special supplemental allowance for each student with a visual impairment. The supplemental allowance may be spent only for special education services uniquely required by the nature of the child's disabilities and may not be used in lieu of educational funds otherwise available under this code or through state or local appropriations.

SECTION 45. Section 30.003, Education Code, is amended by amending Subsections (b), (d), (f-1), and (g) and adding Subsection (b-1) to read as follows:

(b) If the student is admitted to the school for a full-time program for the equivalent of two long semesters, the district's share of the cost is an amount equal to the dollar amount of maintenance and debt service taxes imposed by the district for that year, subject to Subsection (b-1), divided by the district's average daily attendance for the preceding year.

(b-1) The commissioner shall reduce the amount of maintenance taxes imposed by the district that are obligated to be paid under Subsection (b) for a year by the amount, if any, by which the district is required to reduce the district's local revenue level under Section 48.257 for that year.

(d) Each school district and state institution shall provide to the commissioner the necessary information to determine the district's share under this section. The information must be reported to the commissioner on or before a date set by commissioner rule ~~[of the State Board of Education]~~. After determining the amount of a district's share for all students for which the district is responsible, the commissioner shall deduct that amount from the payments of foundation school funds payable to the district. Each deduction shall be in the same percentage of the total amount of the district's share as the percentage of the total foundation school fund entitlement being paid to the district at the time of the deduction, except that the amount of any deduction may be modified to make necessary adjustments or to correct errors. The commissioner shall provide for remitting the amount deducted to the appropriate school at the same time at which the remaining funds are distributed to the district. If a district does not receive foundation school funds or if a district's foundation school entitlement is less than the amount of the district's share under this section, the commissioner shall direct the district to remit payment to the commissioner, and the commissioner shall remit the district's share to the appropriate school.

(f-1) The commissioner shall determine the total amount that the Texas School for the Blind and Visually Impaired and the Texas School for the Deaf would have received from school districts in accordance with this section if the following provisions had not reduced the districts' share of the cost of providing education services:

(1) H.B. No. 1, Acts of the 79th Legislature, 3rd Called Session, 2006;

- (2) Subsection (b-1) of this section;
- (3) Section 45.0032;
- (4) ~~[(3)]~~ Section 48.255; and
- (5) ~~[(4)]~~ Section 48.2551.

(g) The commissioner ~~[State Board of Education]~~ may adopt rules as necessary to implement this section.

SECTION 46. Section 30.004(b), Education Code, is amended to read as follows:

(b) The commissioner ~~[State Board of Education]~~ shall adopt rules prescribing the form and content of information required by Subsection (a).

SECTION 47. Section 30.005, Education Code, is amended to read as follows:

Sec. 30.005. TEXAS SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED MEMORANDUM OF UNDERSTANDING. The Texas Education Agency and the Texas School for the Blind and Visually Impaired shall develop~~;~~ ~~agree to, and by commissioner rule adopt~~ a memorandum of understanding to establish:

(1) the method for developing and reevaluating a set of indicators of the quality of learning at the Texas School for the Blind and Visually Impaired;

(2) the process for the agency to conduct and report on an annual evaluation of the school's performance on the indicators;

(3) the requirements for the school's board to publish, discuss, and disseminate an annual report describing the educational performance of the school;  
and

(4) ~~[the process for the agency to:~~

~~[(A) assign an accreditation status to the school;~~

~~[(B) reevaluate the status on an annual basis; and~~

~~[(C) if necessary, conduct monitoring reviews; and~~

~~[(5)]~~ the type of information the school shall be required to provide through the Public Education Information Management System (PEIMS).

SECTION 48. Section 30.021(e), Education Code, is amended to read as follows:

(e) The school shall cooperate with public and private agencies and organizations serving students and other persons with visual impairments in the planning, development, and implementation of effective educational and rehabilitative service delivery systems associated with educating students with visual impairments. To maximize and make efficient use of state facilities, funding, and resources, the services provided in this area may include conducting a cooperative program with other agencies to serve students who have graduated from high school by completing all academic requirements applicable to students in general ~~[regular]~~ education, excluding satisfactory performance under Section 39.025, who are younger than 22 years of age on September 1 of the school year and who have identified needs related to vocational training, independent living skills, orientation and mobility, social and leisure skills, compensatory skills, or remedial academic skills.

SECTION 49. Section 30.081, Education Code, is amended to read as follows:

Sec. 30.081. LEGISLATIVE INTENT CONCERNING REGIONAL DAY SCHOOLS FOR THE DEAF. The legislature, by this subchapter, intends to continue a process of providing on a statewide basis a suitable education to deaf or hard of hearing students who are under 22 [24] years of age and assuring that those students have the opportunity to become independent citizens.

SECTION 50. Section 30.083, Education Code, is amended to read as follows:

Sec. 30.083. STATEWIDE PLAN. ~~[(a)]~~ The director of services shall develop and administer a comprehensive statewide plan for educational services for students who are deaf or hard of hearing and receive special education and related services through a regional day school program for the deaf~~], including continuing diagnosis and evaluation, counseling, and teaching].~~ The plan shall be included as part of the comprehensive statewide plan under Section 30.002 ~~[designed to accomplish the following objectives:~~

~~[(1) providing assistance and counseling to parents of students who are deaf or hard of hearing in regional day school programs for the deaf and admitting to the programs students who have a hearing loss that interferes with the processing of linguistic information;~~

~~[(2) enabling students who are deaf or hard of hearing to reside with their parents or guardians and be provided an appropriate education in their home school districts or in regional day school programs for the deaf;~~

~~[(3) enabling students who are deaf or hard of hearing who are unable to attend schools at their place of residence and whose parents or guardians live too far from facilities of regional day school programs for the deaf for daily commuting to be accommodated in foster homes or other residential school facilities provided for by the agency so that those children may attend a regional day school program for the deaf;~~

~~[(4) enrolling in the Texas School for the Deaf those students who are deaf or hard of hearing whose needs can best be met in that school and designating the Texas School for the Deaf as the statewide educational resource for students who are deaf or hard of hearing;~~

~~[(5) encouraging students in regional day school programs for the deaf to attend general education classes on a part time, full time, or trial basis; and~~

~~[(6) recognizing the need for development of language and communications abilities in students who are deaf or hard of hearing, but also calling for the use of methods of communication that will meet the needs of each individual student, with each student assessed thoroughly so as to ascertain the student's potential for communications through a variety of means, including through oral or aural means, fingerspelling, or sign language].~~

~~[(b) The director of services may establish separate programs to accommodate diverse communication methodologies.]~~

SECTION 51. Section 37.146(a), Education Code, is amended to read as follows:

(a) A complaint alleging the commission of a school offense must, in addition to the requirements imposed by Article 45A.101, Code of Criminal Procedure:

(1) be sworn to by a person who has personal knowledge of the underlying facts giving rise to probable cause to believe that an offense has been committed; and

(2) be accompanied by a statement from a school employee stating:

(A) whether the child is eligible for or receives special education services under Subchapter A, Chapter 29; and

(B) the graduated sanctions, if required under Section 37.144, that were imposed on the child before the complaint was filed.

SECTION 52. Section 38.003(c-1), Education Code, is amended to read as follows:

(c-1) The agency by rule shall develop procedures designed to allow the agency to:

(1) effectively audit and monitor and periodically conduct site visits of all school districts to ensure that districts are complying with this section, including the program approved by the State Board of Education under this section;

(2) identify any problems school districts experience in complying with this section, including the program approved by the State Board of Education under this section;

(3) develop reasonable and appropriate remedial strategies to address school district noncompliance and ensure the purposes of this section are accomplished, which may include the publication of a recommended evidence-based dyslexia program list; ~~and~~

(4) solicit input from parents of students enrolled in a school district during the auditing and monitoring of the district under Subdivision (1) regarding the district's implementation of the program approved by the State Board of Education under this section; and

(5) engage in general supervision activities, including activities under the comprehensive system for monitoring described by Section 29.010, to ensure school district compliance with the program approved by the State Board of Education under this section and Part B, Individuals with Disabilities Education Act (20 U.S.C. Section 1411 et seq.).

SECTION 53. Section 48.009(b), Education Code, is amended to read as follows:

(b) The commissioner by rule shall require each school district and open-enrollment charter school to report through the Public Education Information Management System information regarding:

(1) the number of students enrolled in the district or school who are identified as having dyslexia;

(2) the availability of school counselors, including the number of full-time equivalent school counselors, at each campus;

(3) the availability of expanded learning opportunities as described by Section 33.252 at each campus;

(4) the total number of students, other than students described by Subdivision (5), enrolled in the district or school with whom the district or school, as applicable, used intervention strategies, as that term is defined by Section 26.004, at any time during the year for which the report is made;

(5) the total number of students enrolled in the district or school to whom the district or school provided aids, accommodations, or services under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794), at any time during the year for which the report is made;

(6) disaggregated by campus and grade, the number of:

(A) children who are required to attend school under Section 25.085, are not exempted under Section 25.086, and fail to attend school without excuse for 10 or more days or parts of days within a six-month period in the same school year;

(B) students for whom the district initiates a truancy prevention measure under Section 25.0915(a-4); and

(C) parents of students against whom an attendance officer or other appropriate school official has filed a complaint under Section 25.093; ~~and~~

(7) the number of students who are enrolled in a high school equivalency program, a dropout recovery school, or an adult education program provided under a high school diploma and industry certification charter school program provided by the district or school and who:

(A) are at least 18 years of age and under 26 years of age;

(B) have not previously been reported to the agency as dropouts; and

(C) enroll in the program at the district or school after not attending school for a period of at least nine months; and

(8) students enrolled in a special education program under Subchapter A, Chapter 29, as necessary for the agency to adequately perform general supervision activities and determine funding under Sections 48.102 and 48.1021.

SECTION 54. Section 48.051(a), Education Code, is amended to read as follows:

(a) For each student in average daily attendance, not including the time students spend each day in career and technology education programs or in special education programs in a setting [an instructional arrangement] other than a general education setting [mainstream or career and technology education programs], for which an additional allotment is made under Subchapter C, a school district is entitled to an allotment equal to the lesser of \$6,160 or the amount that results from the following formula:

$$A = \$6,160 \times TR/MCR$$

where:

"A" is the allotment to which a district is entitled;

"TR" is the district's tier one maintenance and operations tax rate, as provided by Section 45.0032; and

"MCR" is the district's maximum compressed tax rate, as determined under Section 48.2551.

SECTION 55. Section 48.102, Education Code, is amended to read as follows:

Sec. 48.102. SPECIAL EDUCATION. (a) For each student in average daily attendance in a special education program under Subchapter A, Chapter 29, ~~[in a mainstream instructional arrangement]~~, a school district is entitled to an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment

and the allotment under Section 48.101 to which the district is entitled, multiplied by a weight in an amount set by the legislature in the General Appropriations Act for the highest tier of intensity of service for which the student qualifies [4.15].

(a-1) Notwithstanding Subsection (a), for the 2026-2027 school year, the amount of an allotment under this section shall be determined in accordance with Section 48.1022. This subsection expires September 1, 2027. ~~[For each full time equivalent student in average daily attendance in a special education program under Subchapter A, Chapter 29, in an instructional arrangement other than a mainstream instructional arrangement, a district is entitled to an annual allotment equal to the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 to which the district is entitled, multiplied by a weight determined according to instructional arrangement as follows:~~

<del>[Homebound</del>	<del>5.0</del>
<del>[Hospital class</del>	<del>3.0</del>
<del>[Speech therapy</del>	<del>5.0</del>
<del>[Resource room</del>	<del>3.0</del>
<del>[Self-contained, mild and moderate, regular campus</del>	<del>3.0</del>
<del>[Self-contained, severe, regular campus</del>	<del>3.0</del>
<del>[Off home campus</del>	<del>2.7</del>
<del>[Nonpublic day school</del>	<del>1.7</del>
<del>[Vocational adjustment class</del>	<del>2.3]</del>

(b) ~~The commissioner by rule shall define eight tiers of intensity of service for use in determining funding under this section. The commissioner must include one tier specifically addressing students receiving special education services in residential placement and one tier for students receiving only speech therapy [A special instructional arrangement for students with disabilities residing in care and treatment facilities, other than state schools, whose parents or guardians do not reside in the district providing education services shall be established by commissioner rule. The funding weight for this arrangement shall be 4.0 for those students who receive their education service on a local school district campus. A special instructional arrangement for students with disabilities residing in state schools shall be established by commissioner rule with a funding weight of 2.8].~~

(c) ~~In defining the tiers of intensity of service under Subsection (b), the commissioner shall consider:~~

- ~~(1) the type, frequency, and nature of services provided to a student;~~
- ~~(2) the required certifications, licensures, or other qualifications for personnel serving the student;~~
- ~~(3) any identified or curriculum-required provider-to-student ratios for the student to receive the appropriate services; and~~
- ~~(4) any equipment or technology required for the services [For funding purposes, the number of contact hours credited per day for each student in the off home campus instructional arrangement may not exceed the contact hours credited per day for the multidistrict class instructional arrangement in the 1992-1993 school year].~~



~~(d) [For funding purposes the contact hours credited per day for each student in the resource room; self-contained, mild and moderate; and self-contained, severe, instructional arrangements may not exceed the average of the statewide total contact hours credited per day for those three instructional arrangements in the 1992-1993 school year.~~

~~[(e) The commissioner by rule shall prescribe the qualifications an instructional arrangement must meet in order to be funded as a particular instructional arrangement under this section. In prescribing the qualifications that a mainstream instructional arrangement must meet, the commissioner shall establish requirements that students with disabilities and their teachers receive the direct, indirect, and support services that are necessary to enrich the regular classroom and enable student success.~~

~~[(f) In this section, "full time equivalent student" means 30 hours of contact a week between a special education student and special education program personnel.~~

~~[(g) The commissioner shall adopt rules and procedures governing contracts for residential placement of special education students. The legislature shall provide by appropriation for the state's share of the costs of those placements.~~

~~[(h) At least 55 percent of the funds allocated under this section must be used in the special education program under Subchapter A, Chapter 29.~~

~~(e) [(+) The agency shall ensure [encourage] the placement of students in special education programs, including students in residential placement [instructional arrangements], in the least restrictive environment appropriate for their educational needs.~~

~~(f) [(+) A school district that provides an extended year program required by federal law for special education students who may regress is entitled to receive funds in an amount equal to [75 percent, or a lesser percentage determined by the commissioner, of] the basic allotment, or, if applicable, the sum of the basic allotment and the allotment under Section 48.101 to which the district is entitled for each [full time equivalent] student in average daily attendance, multiplied by the amount designated for the highest tier of intensity of service for which the student qualifies [student's instructional arrangement] under this section, for each day the program is provided divided by the number of days in the minimum school year. [The total amount of state funding for extended year services under this section may not exceed \$10 million per year.] A school district may use funds received under this section only in providing an extended year program.~~

~~(g) [(+) From the total amount of funds appropriated for special education under this section, the commissioner shall withhold an amount specified in the General Appropriations Act, and distribute that amount to school districts for programs under Section 29.014. The program established under that section is required only in school districts in which the program is financed by funds distributed under this subsection and any other funds available for the program. After deducting the amount withheld under this subsection from the total amount appropriated for special education, the commissioner shall reduce each district's allotment proportionately and shall allocate funds to each district accordingly.~~

(h) Not later than December 1 of each even-numbered year, the commissioner shall submit to the Legislative Budget Board, for purposes of the allotment under this section, proposed weights for the tiers of intensity of service for the next state fiscal biennium.

SECTION 56. Subchapter C, Chapter 48, Education Code, is amended by adding Sections 48.1021 and 48.1022 to read as follows:

Sec. 48.1021. SPECIAL EDUCATION SERVICE GROUP ALLOTMENT. (a) For each student in a special education program under Subchapter A, Chapter 29, a school district is entitled to an allotment in an amount set by the legislature in the General Appropriations Act for the service group for which the student receives services.

(a-1) Notwithstanding Subsection (a), for the 2026-2027 school year, the amount of an allotment under this section shall be determined in accordance with Section 48.1022. This subsection expires September 1, 2027.

(b) The commissioner by rule shall establish at least four service groups for use in determining funding under this section. In establishing the groups, the commissioner must consider:

- (1) the type, frequency, and nature of services provided to a student;
- (2) the required certifications, licensures, or other qualifications for personnel serving the student;
- (3) any identified or curriculum-required provider-to-student ratios for the student to receive the appropriate services; and
- (4) any equipment or technology required for the services.

(c) At least 55 percent of the funds allocated under this section must be used for a special education program under Subchapter A, Chapter 29.

(d) Not later than December 1 of each even-numbered year, the commissioner shall submit to the Legislative Budget Board, for purposes of the allotment under this section, proposed amounts of funding for the service groups for the next state fiscal biennium.

Sec. 48.1022. SPECIAL EDUCATION TRANSITION FUNDING. (a) For the 2026-2027 school year, the commissioner may adjust weights or amounts provided under Section 48.102 or 48.1021 as necessary to ensure compliance with requirements regarding maintenance of state financial support under 20 U.S.C. Section 1412(a)(18) and maintenance of local financial support under applicable federal law.

(b) For the 2026-2027 school year, the commissioner shall determine the formulas through which school districts receive funding under Sections 48.102 and 48.1021. In determining the formulas, the commissioner shall ensure the estimated statewide amount provided by the sum of the allotments under Sections 48.102 and 48.1021 for the 2026-2027 school year is approximately \$350 million greater than the amount that would have been provided under the allotment under Section 48.102, as that section existed on September 1, 2025, for that school year, calculating both amounts using the basic allotment in effect for the 2026-2027 school year.

(c) Each school district and open-enrollment charter school shall report to the agency information necessary to implement this section.

(d) The agency shall provide technical assistance to school districts and open-enrollment charter schools to ensure a successful transition in funding formulas for special education.

(e) This section expires September 1, 2028.

SECTION 57. Sections 48.103(b), (c), and (d), Education Code, are amended to read as follows:

(b) A school district is entitled to an allotment under Subsection (a) only for a student who:

(1) is receiving:

(A) instruction, services, or accommodations for dyslexia or a related disorder in accordance with~~[-~~

~~[(A)]~~ an individualized education program developed for the student under Section 29.005; or

(B) accommodations for dyslexia or a related disorder in accordance with a plan developed for the student under Section 504, Rehabilitation Act of 1973 (29 U.S.C. Section 794); or

(2) ~~is receiving instruction that~~

~~[(A) meets applicable dyslexia program criteria established by the State Board of Education; and~~

~~[(B) is provided by a person with specific training in providing that instruction; or~~

~~[(3)]~~ is permitted, on the basis of having dyslexia or a related disorder, to use modifications in the classroom or accommodations in the administration of assessment instruments under Section 39.023 without a program or plan described by Subdivision (1).

(c) A school district may receive funding for a student under each provision of this section, [and] Section 48.102, and Section 48.1021 for which [if] the student qualifies [satisfies the requirements of both sections].

(d) A school district may use ~~[an amount not to exceed 20 percent of]~~ the allotment provided for a qualifying student under this section to contract with a private provider to provide supplemental academic services to the student that are recommended under the student's program or plan described by Subsection (b). A student may not be excused from school to receive supplemental academic services provided under this subsection.

SECTION 58. Section 48.110(d), Education Code, is amended to read as follows:

(d) For each annual graduate in a cohort described by Subsection (b) who demonstrates college, career, or military readiness as described by Subsection (f) in excess of the minimum number of students determined for the applicable district cohort under Subsection (c), a school district is entitled to an annual outcomes bonus of:

(1) if the annual graduate is educationally disadvantaged, \$5,000;

(2) if the annual graduate is not educationally disadvantaged, \$3,000; and

(3) if the annual graduate is enrolled in a special education program under Subchapter A, Chapter 29, \$4,000 ~~[\$2,000]~~, regardless of whether the annual graduate is educationally disadvantaged.

SECTION 59. Section 48.151(g), Education Code, is amended to read as follows:

(g) A school district or county that provides special transportation services for eligible special education students is entitled to a state allocation at a ~~[paid on a previous year's cost per mile basis. The]~~ rate per mile equal to the sum of the rate per mile set under Subsection (c) and \$0.13, or a greater amount provided ~~[allowable shall be set]~~ by appropriation ~~[based on data gathered from the first year of each preceding biennium]~~. Districts may use a portion of their support allocation to pay transportation costs, if necessary. The commissioner may grant an amount set by appropriation for private transportation to reimburse parents or their agents for transporting eligible special education students. The mileage allowed shall be computed along the shortest public road from the student's home to school and back, morning and afternoon. The need for this type of transportation shall be determined on an individual basis and shall be approved only in extreme hardship cases.

SECTION 60. Subchapter D, Chapter 48, Education Code, is amended by adding Section 48.159 to read as follows:

Sec. 48.159. SPECIAL EDUCATION FULL INDIVIDUAL AND INITIAL EVALUATION. (a) For each child for whom a school district conducts a full individual and initial evaluation under Section 29.004 or 20 U.S.C. Section 1414(a)(1), the district is entitled to an allotment of \$1,000 or a greater amount provided by appropriation.

(b) Notwithstanding Subsection (a), for the 2025-2026 and 2026-2027 school years, the amount of an allotment under that subsection is \$3,000 for each child not enrolled or seeking enrollment in the district for whom the district conducts a full individual and initial evaluation as described by that subsection. The total amount that may be used to provide allotments under this subsection may not exceed \$45 million for a school year. If the total amount of allotments to which districts are entitled under this subsection for a school year exceeds the amount permitted under this subsection, the commissioner shall proportionately reduce each district's allotment under this subsection. This subsection expires September 1, 2027.

SECTION 61. Section 48.265(a), Education Code, is amended to read as follows:

(a) If ~~[Notwithstanding any other provision of law, if]~~ the commissioner determines that the amount appropriated for the purposes of the Foundation School Program exceeds the amount to which school districts are entitled under this chapter, the commissioner may provide ~~[by rule shall establish a grant program through which excess funds are awarded as]~~ grants using the excess money for the purchase of video equipment, or for the reimbursement of costs for previously purchased video equipment, used for monitoring special education classrooms or other special education settings required under Section 29.022.

SECTION 62. Section 48.279(e), Education Code, is amended to read as follows:

(e) After the commissioner has replaced any withheld federal funds as provided by Subsection (d), the commissioner shall distribute the remaining amount, if any, of funds described by Subsection (a) to proportionately increase funding for the special education allotment under Section 48.102 and the special education service group allotment under Section 48.1021.

SECTION 63. Subchapter G, Chapter 48, Education Code, is amended by adding Sections 48.304, 48.306, and 48.315 to read as follows:

Sec. 48.304. DAY PLACEMENT PROGRAM OR COOPERATIVE FUNDING. (a) For each qualifying day placement program or cooperative that a regional education service center, school district, or open-enrollment charter school establishes, the program or cooperative is entitled to an allotment of:

(1) \$250,000 for the first year of the program's or cooperative's operation;  
and

(2) the sum of:

(A) \$100,000 for each year of the program's or cooperative's operation after the first year; and

(B) \$150,000 if at least three students are enrolled in the program or cooperative for a year described by Paragraph (A).

(b) A day placement program or cooperative qualifies for purposes of Subsection (a) if:

(1) the program or cooperative complies with commissioner rules adopted for purposes of this section under Section 48.004;

(2) the program or cooperative offers services to students who are enrolled at any school district or open-enrollment charter school in the county in which the program or cooperative is offered, unless the commissioner by rule waives or modifies the requirement under this subdivision for the program or cooperative to serve all students in a county; and

(3) the agency has designated the program or cooperative for service in the county in which the program or cooperative is offered and determined that, at the time of designation, the program or cooperative increases the availability of day placement services in the county.

(c) The agency may not designate more than one day placement program or cooperative for service per county each year.

(d) The agency may designate a regional education service center to implement and administer this section.

(e) Notwithstanding any other provision of this section, the agency may not provide an allotment under this section to more than 20 day placement programs or cooperatives for a year.

Sec. 48.306. PARENT-DIRECTED SERVICES FOR STUDENTS RECEIVING SPECIAL EDUCATION SERVICES GRANT. (a) Subject to Subsection (f), a student to whom the agency awards a grant under Subchapter A-1, Chapter 29, is entitled to receive an amount of \$1,500 or a greater amount provided by appropriation.

(b) The legislature shall include in the appropriations for the Foundation School Program state aid sufficient for the agency to award grants under Subchapter A-1, Chapter 29, in the amount provided by this section.

(c) A student may receive one grant under Subchapter A-1, Chapter 29, unless the legislature appropriates money for an additional grant in the General Appropriations Act.

(d) A regional education service center designated to administer the program under Subchapter A-1, Chapter 29, for a school year is entitled to an amount equal to four percent of each grant awarded under that subchapter for that school year.

(e) Notwithstanding Section 7.057, a determination of the commissioner under this section is final and may not be appealed.

(f) The total amount provided under this section may not exceed \$80 million per school year.

(g) Notwithstanding Subsection (f), the total amount provided under this section for the 2025-2026 school year may not exceed \$150 million. This subsection expires September 1, 2026.

Sec. 48.315. FUNDING FOR REGIONAL DAY SCHOOL PROGRAMS FOR THE DEAF. (a) The program administrator or fiscal agent of a regional day school program for the deaf is entitled to receive for each school year an allotment of \$6,925, or a greater amount provided by appropriation, for each student receiving services from the program.

(b) Notwithstanding Subsection (a), the agency shall adjust the amount of an allotment under that subsection for a school year to ensure the total amount of allotments provided under that subsection is at least \$35 million for that school year.

SECTION 64. The following provisions of the Education Code are repealed:

- (1) Section 7.055(b)(24);
- (2) Sections 7.102(c)(18), (19), (20), (21), and (22);
- (3) Section 29.002;
- (4) Section 29.0041(c);
- (5) Section 29.005(f);
- (6) Section 29.0161;
- (7) Sections 29.308, 29.309, 29.311, 30.001, and 30.0015;
- (8) Sections 30.002(c-1), (c-2), (f), (f-1), and (g);
- (9) Section 30.084;
- (10) Section 30.087(b); and
- (11) Section 38.003(d).

SECTION 65. The commissioner of education shall award a grant under Subchapter A-1, Chapter 29, Education Code, as amended by this Act, for the 2025-2026 school year to each eligible applicant who applied but was not accepted for the 2024-2025 school year.

SECTION 66. Sections 8.051(d), 29.008, 29.014(c) and (d), and 29.018(b), Education Code, as amended by this Act, apply beginning with the 2026-2027 school year.

SECTION 67. (a) Except as provided by Subsection (b) or (c) of this section, this Act takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

(b) Except as provided by Subsection (c) of this section, the amendments made by this Act to Chapter 48, Education Code, take effect September 1, 2025.

(c) Sections 48.009(b), 48.051(a), 48.102, 48.103(b), (c), and (d), and 48.279(e), Education Code, as amended by this Act, and Sections 48.1021 and 48.1022, Education Code, as added by this Act, take effect September 1, 2026.

The amendment was read.

Senator Bettencourt submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 568** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Bettencourt, Chair; Paxton, Zaffirini, King, and Parker.

### **SENATE BILL 1540 WITH HOUSE AMENDMENT (Motion In Writing)**

Senator Bettencourt called **SB 1540** from the President's table for consideration of the House amendment to the bill.

The Presiding Officer laid the bill and the House amendment before the Senate.

#### **Floor Amendment No. 1**

Amend **SB 1540** (house committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Section 1.005(4-a), Election Code, is amended to read as follows:

(4-a) "Election official" means:

- (A) a county clerk;
- (B) a permanent or temporary deputy county clerk;
- (C) an elections administrator;
- (D) a permanent or temporary employee of an elections administrator;
- (E) an election judge;
- (F) an alternate election judge;
- (G) an early voting clerk;
- (H) a deputy early voting clerk;
- (I) an election clerk;
- (J) the presiding judge of an early voting ballot board;
- (K) the alternate presiding judge of an early voting ballot board;
- (L) a member of an early voting ballot board;
- (M) the chair of a signature verification committee;
- (N) the vice chair of a signature verification committee;

- (O) a member of a signature verification committee;
- (P) the presiding judge of a central counting station;
- (Q) the alternate presiding judge of a central counting station;
- (R) a central counting station manager;
- (S) a central counting station clerk;
- (T) a tabulation supervisor;
- (U) an assistant to a tabulation supervisor; ~~and~~
- (V) a chair of a county political party holding a primary election or a runoff primary election; and
- (W) a member, including the chair and vice chair, of a state executive committee of a political party that nominates by primary election under Subtitle B, Title 10.

The amendment was read.

Senator Bettencourt submitted a Motion In Writing that the Senate do not concur in the House amendment, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 1540** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Bettencourt, Chair; Birdwell, Middleton, Parker, and Zaffirini.

### **SENATE BILL 2972 WITH HOUSE AMENDMENTS** **(Motion In Writing)**

Senator Creighton called **SB 2972** from the President's table for consideration of the House amendments to the bill.

The Presiding Officer laid the bill and the House amendments before the Senate.

#### **Floor Amendment No. 1**

Amend **SB 2972** (house committee report) on page 4, line 6, between "hours" and the underlined semicolon, by inserting the following:  
with the intent to:

- (i) intimidate others;
- (ii) interfere with campus operations; or
- (iii) interfere with an institution employee's or a peace officer's lawful performance of a duty

#### **Floor Amendment No. 2**

Amend **SB 2972** (house committee report) as follows:

- (1) On page 1, line 5, strike ", (3), and (4)" and substitute "and (3)".
- (2) On page 1, strike lines 22 through 24.
- (3) On page 2, line 3, strike "and (k)" and substitute ", (k), and (l)".



(4) On page 2, lines 25 and 26, strike "[~~reasonable~~] restrictions on [~~the time, place, and manner of~~]" and substitute "reasonable restrictions on the time, place, and manner of".

(5) On page 3, lines 3 through 5, strike "reasonable in light of the purpose of the area to which the restrictions apply [~~narrowly tailored to serve a significant institutional interest~~]" and substitute "narrowly tailored to serve a significant institutional interest".

(6) On page 3, strike lines 8 through 11 and substitute the following:

(3) provide for ample alternative means of expression; and

(4) allow members of the university community to assemble or

(7) On page 3, line 15, strike "may" and substitute "shall".

(8) On page 3, lines 23 and 24, strike "students enrolled at and employees of the institution [~~any person~~]" and substitute "any person".

(9) On page 4, line 19, strike "mask, facial covering, disguise," and substitute "disguise".

(10) On page 5, line 4, strike "on campus" and substitute "within 300 feet of residential housing".

(11) On page 5, line 14, strike "a peace officer" and substitute "an institution official".

(12) On page 5, between lines 24 and 25, insert the following subsection:

(l) Nothing in this section may be construed to limit or infringe on a person's right to freedom of speech or expression protected by the First Amendment to the United States Constitution or by Section 8, Article I, Texas Constitution.

The amendments were read.

Senator Creighton submitted a Motion In Writing that the Senate do not concur in the House amendments, but that a conference committee be appointed to adjust the differences between the two Houses on the bill.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **SB 2972** before appointment.

There were no motions offered.

The Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Creighton, Chair; Kolkhorst, King, Middleton, and A. Hinojosa.

### **CONFERENCE COMMITTEE ON HOUSE BILL 3372 (Motion In Writing)**

Senator Middleton called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3372** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3372** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Middleton, Chair; Bettencourt, Menéndez, Creighton, and King.

**CONFERENCE COMMITTEE ON HOUSE BILL 5138**  
**(Motion In Writing)**

Senator Hughes called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 5138** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 5138** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Hughes, Chair; Campbell, Birdwell, Parker, and Bettencourt.

**HOUSE BILL 4690 ON SECOND READING**

Senator Blanco moved to suspend the regular order of business, Senate Rule 7.25, and Senate Rule 5.14, to take up for consideration **HB 4690** at this time on its second reading and third reading:

**HB 4690**, Relating to motor fuel measuring, quality, and testing standards.

The motion prevailed.

Senator Hagenbuch asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Blanco offered the following amendment to the bill:

**Floor Amendment No. 1**

Amend **HB 4690** (senate committee report) in SECTION 6 of the bill, as follows:

(1) In added Section 2310.2031(a), Occupations Code (page 2, line 19), strike "adjacent to" and substitute "within this state on either side of".

(2) In added Section 2310.2031(b), Occupations Code (page 2, lines 27 through 33), strike Subsection (b) and substitute the following:

(b) Gasoline sold or offered for sale in this state conforms with the Driveability Index provided in the Vapor Pressure and Distillation Class Requirements in the most recently adopted version of ASTM International's publication D4814, "Standard Specification for Automotive Spark-Ignition Engine Fuel," if it meets or exceeds vapor pressure and distillation class AAA, AA, or A.

The amendment to **HB 4690** was read and was adopted without objection.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

**HB 4690** as amended was passed to third reading without objection.

All Members are deemed to have voted "Yea" on the passage to third reading except as follows:

Nays: Hagenbuch.

### **HOUSE BILL 4690 ON THIRD READING**

Senator Blanco moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 4690** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 30, Nays 1.

Nays: Hagenbuch.

The bill was read third time and was passed by the following vote: Yeas 30, Nays 1. (Same as previous roll call)

### **CONFERENCE COMMITTEE ON HOUSE BILL 2885 (Motion In Writing)**

Senator Schwertner called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2885** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2885** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Schwertner, Chair; Hughes, Parker, A. Hinojosa, and Campbell.

### **HOUSE BILL 1094 ON SECOND READING**

On motion of Senator Zaffirini and by unanimous consent, the regular order of business, Senate Rule 7.25, and Senate Rule 5.14 were suspended to take up for consideration **HB 1094** at this time on its second reading:

**HB 1094**, Relating to the regulation of transportation protection agreements.

The bill was read second time and was passed to third reading without objection.

All Members are deemed to have voted "Yea" on the passage to third reading.

### **HOUSE BILL 1094 ON THIRD READING**

Senator Zaffirini moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 1094** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

**CONFERENCE COMMITTEE ON HOUSE BILL 2516**  
**(Motion In Writing)**

Senator Schwertner called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 2516** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 2516** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Schwertner, Chair; Kolkhorst, Campbell, Hughes, and Johnson.

**COMMITTEE SUBSTITUTE**  
**HOUSE BILL 2731 ON SECOND READING**

Senator J. Hinojosa moved to suspend the regular order of business, Senate Rule 7.25, and Senate Rule 5.14 to take up for consideration **CSHB 2731** at this time on its second reading:

**CSHB 2731**, Relating to the regulation of roadside vendors and solicitors in certain counties.

The motion prevailed.

Senators Hagenbuch, Hancock, and Hughes asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time and was passed to third reading without objection.

All Members are deemed to have voted "Yea" on the passage to third reading except as follows:

Nays: Hagenbuch, Hancock, Hughes.

**COMMITTEE SUBSTITUTE**  
**HOUSE BILL 2731 ON THIRD READING**

Senator J. Hinojosa moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 2731** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 28, Nays 3.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Cook, Creighton, Eckhardt, Flores, Gutierrez, Hall, A. Hinojosa, J. Hinojosa, Huffman, Johnson, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Hagenbuch, Hancock, Hughes.

The bill was read third time and was passed by the following vote: Yeas 28, Nays 3. (Same as previous roll call)

### MESSAGE FROM THE HOUSE

#### HOUSE CHAMBER

Austin, Texas

Thursday, May 29, 2025 - 4

The Honorable President of the Senate  
Senate Chamber  
Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS CONCURRED IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

**HB 100** (112 Yeas, 28 Nays, 1 Present, not voting)

**HB 126** (110 Yeas, 25 Nays, 1 Present, not voting)

**HB 150** (115 Yeas, 21 Nays, 1 Present, not voting)

**HB 2240** (128 Yeas, 10 Nays, 1 Present, not voting)

**HB 2512** (119 Yeas, 20 Nays, 1 Present, not voting)

**HB 2844** (102 Yeas, 36 Nays, 1 Present, not voting)

**HB 3783** (128 Yeas, 7 Nays, 1 Present, not voting)

**HB 3866** (126 Yeas, 10 Nays, 1 Present, not voting)

**HB 4112** (129 Yeas, 2 Nays, 1 Present, not voting)

**HB 4749** (120 Yeas, 18 Nays, 1 Present, not voting)

**HB 4751** (105 Yeas, 33 Nays, 1 Present, not voting)

**HB 5616** (103 Yeas, 35 Nays, 1 Present, not voting)

**HJR 7** (122 Yeas, 12 Nays, 2 Present, not voting)

THE HOUSE HAS REFUSED TO CONCUR IN THE SENATE AMENDMENTS TO THE FOLLOWING MEASURES AND REQUESTS THE APPOINTMENT OF A CONFERENCE COMMITTEE TO ADJUST THE DIFFERENCES BETWEEN THE TWO HOUSES:

**HB 3556**

House Conferees: Vasut - Chair/Darby/Howard/Metcalf/Zwiener

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

**SB 17** (85 Yeas, 57 Nays, 1 Present, not voting)

**SB 21** (110 Yeas, 25 Nays, 2 Present, not voting)

**SB 260** (132 Yeas, 1 Nays, 1 Present, not voting)

**SB 1833** (129 Yeas, 5 Nays, 3 Present, not voting)

**SB 2155** (108 Yeas, 28 Nays, 1 Present, not voting)

**SB 2778** (97 Yeas, 39 Nays, 1 Present, not voting)

Respectfully,

/s/Stephen Brown,

Chief Clerk

House of Representatives

### **COMMITTEE SUBSTITUTE HOUSE BILL 127 ON SECOND READING**

Senator Hughes moved to suspend the regular order of business, Senate Rule 7.25, and Senate Rule 5.14 to take up for consideration **CSHB 127** at this time on its second reading and third reading:

**CSHB 127**, Relating to measures to protect institutions of higher education from foreign adversaries and to the prosecution of the criminal offense of theft of trade secrets; increasing a criminal penalty.

The motion prevailed.

Senators Cook and Eckhardt asked to be recorded as voting "Nay" on suspension of the regular order of business.

The bill was read second time.

Senator Hughes offered the following amendment to the bill:

#### **Floor Amendment No. 1**

Amend **CSHB 127** (senate committee report) as follows:

(1) In SECTION 1 of the bill, immediately following added Section 51.957(h), Education Code (page 2, between lines 37 and 38), insert the following appropriately lettered subsection and reletter subsequent subsections accordingly:

( ) The Texas Higher Education Coordinating Board shall provide administrative support to the council at the council's request.

(2) In SECTION 1 of the bill, in added Section 51.957(k), Education Code (page 2, line 42), strike "The council" and substitute "Not later than December 1 of each even-numbered year, the council".

(3) In SECTION 1 of the bill, in added Section 51.957(k), Education Code (page 2, line 45), strike "an annual" and substitute "a".

(4) In SECTION 2 of the bill, in added Section 51B.001, Education Code (page 3, lines 25 through 44), strike Subdivisions (6) and (7) and substitute the following:

(6) "Foreign source" means:

(A) a foreign government or agency of a foreign government;  
(B) a legal entity created solely under the laws of a foreign adversary and having its principal place of business in a foreign adversary;  
(C) a partnership, association, organization, or other combination of persons, or a subsidiary of such an entity, organized under the laws of and having its principal place of business in a foreign adversary;  
(D) a political party of a foreign adversary; or  
(E) an agent acting on behalf of an entity described by Paragraph (A), (B), (C), or (D).

(7) "Gift" means any gift of money or property.

(5) In SECTION 2 of the bill, in added Section 51B.051(c), Education Code (page 4, line 4), strike "foreign source" and substitute "citizen".

(6) In SECTION 2 of the bill, in added Section 51B.051(c)(1), Education Code (page 4, line 6), strike "foreign source" and substitute "citizen".

(7) In SECTION 2 of the bill, in added Section 51B.051(c), Education Code (page 4, lines 7 through 9), strike Subdivision (2) and renumber subsequent subdivisions accordingly.

(8) In SECTION 2 of the bill, in added Section 51B.051(d), Education Code (page 4, line 17), strike "Subsection (c)(4)" and substitute "Subsection (c)".

(9) In SECTION 2 of the bill, in added Section 51B.102, Education Code (page 4, line 69, through page 5, line 16), strike Subsections (b) and (c) and substitute the following:

(b) The council shall establish:

(1) best practices to be used by an institution of higher education when entering into an academic partnership with a foreign source of a foreign adversary; and

(2) a process by which an institution of higher education annually shall certify to the council the institution's compliance or noncompliance with the best practices established under Subdivision (1).

(c) Not later than December 1 of each year, the council shall submit to the governor, the lieutenant governor, and the speaker of the house of representatives a report identifying each institution of higher education that did not certify the institution's compliance with the best practices under Subsection (b) in the 12 months preceding the date of the report.

(10) In SECTION 2 of the bill, in added Section 51B.151(b), Education Code (page 5, line 56), between "subchapter" and the underlined period, insert ", which may prescribe low-risk circumstances under which the screening may be waived".

(11) In SECTION 8 of the bill, providing transition language (page 8, line 32), between "Sections 51B.051," and "51B.151", insert "51B.102(b),".

The amendment to **CSHB 127** was read and was adopted without objection.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

**CSHB 127** as amended was passed to third reading without objection.

All Members are deemed to have voted "Yea" on the passage to third reading except as follows:

Nays: Cook, Eckhardt.

**COMMITTEE SUBSTITUTE  
HOUSE BILL 127 ON THIRD READING**

Senator Hughes moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **CSHB 127** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 29, Nays 2.

Yeas: Alvarado, Bettencourt, Birdwell, Blanco, Campbell, Creighton, Flores, Gutierrez, Hagenbuch, Hall, Hancock, A. Hinojosa, J. Hinojosa, Huffman, Hughes, Johnson, King, Kolkhorst, Menéndez, Middleton, Miles, Nichols, Parker, Paxton, Perry, Schwertner, Sparks, West, Zaffirini.

Nays: Cook, Eckhardt.

The bill was read third time and was passed by the following vote: Yeas 29, Nays 2. (Same as previous roll call)

**HOUSE BILL 549 ON SECOND READING**

On motion of Senator Johnson and by unanimous consent, the regular order of business, Senate Rule 7.25, and Senate Rule 5.14 were suspended to take up for consideration **HB 549** at this time on its second reading:

**HB 549**, Relating to the availability and use of airway clearance devices at public school campuses.

The bill was read second time.

Senator Johnson offered the following amendment to the bill:

**Floor Amendment No. 1**

Amend **HB 549** (senate committee report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter E, Chapter 38, Education Code, is amended by adding Section 38.2115 to read as follows:

Sec. 38.2115. CONTRACTING FOR MEDICATION FOR RESPIRATORY DISTRESS AND TRAINING. The board of trustees of a school district or governing body of an open-enrollment charter school or private school may contract with a vendor to provide:

(1) medication for respiratory distress and related equipment to the district or school; and

(2) training to school personnel and school volunteers authorized to administer medication for respiratory distress under this subchapter.

The amendment to **HB 549** was read and was adopted without objection.

All Members are deemed to have voted "Yea" on the adoption of Floor Amendment No. 1.

**HB 549** as amended was passed to third reading without objection.



All Members are deemed to have voted "Yea" on the passage to third reading.

### **HOUSE BILL 549 ON THIRD READING**

Senator Johnson moved that Senate Rule 7.18 and the Constitutional Rule requiring bills to be read on three several days be suspended and that **HB 549** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

The bill was read third time and was passed by the following vote: Yeas 31, Nays 0.

### **CONFERENCE COMMITTEE ON HOUSE BILL 3556 (Motion In Writing)**

Senator Middleton called from the President's table, for consideration at this time, the request of the House for a conference committee to adjust the differences between the two Houses on **HB 3556** and submitted a Motion In Writing that the request be granted.

The Motion In Writing was read and prevailed without objection.

The Presiding Officer asked if there were any motions to instruct the conference committee on **HB 3556** before appointment.

There were no motions offered.

Accordingly, the Presiding Officer announced the appointment of the following conferees on the part of the Senate: Senators Middleton, Chair; Creighton, Kolkhorst, Hall, and Sparks.

### **CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2011**

Senator Paxton submitted the following Conference Committee Report:

Austin, Texas  
May 29, 2025

Honorable Dan Patrick  
President of the Senate

Honorable Dustin Burrows  
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **HB 2011** have had the same under consideration, and beg to report it back with the recommendation that it do pass.

PAXTON  
BETTENCOURT  
KOLKHORST  
SCHWERTNER  
WEST  
On the part of the Senate

C. BELL  
HINOJOSA  
HUNTER  
KITZMAN  
LALANI  
On the part of the House

The Conference Committee Report on **HB 2011** was filed with the Secretary of the Senate.

**CONFERENCE COMMITTEE REPORT ON  
SENATE BILL 37**

Senator Creighton submitted the following Conference Committee Report:

Austin, Texas  
May 29, 2025

Honorable Dan Patrick  
President of the Senate

Honorable Dustin Burrows  
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 37** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

CREIGHTON  
MIDDLETON  
HUGHES  
PAXTON  
BETTENCOURT  
On the part of the Senate

SHAHEEN  
HOWARD  
LAMBERT  
PAUL  
WILSON  
On the part of the House

**A BILL TO BE ENTITLED  
AN ACT**

relating to the governance of public institutions of higher education, including review of curriculum and certain degree and certificate programs, a faculty council or senate, training for members of the governing board, and the establishment, powers, and duties of the Texas Higher Education Coordinating Board Office of the Ombudsman.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

**ARTICLE 1. CURRICULUM AND ACADEMIC PROGRAMS**

SECTION 1.01. Subchapter F, Chapter 51, Education Code, is amended by adding Section 51.315 to read as follows:

Sec. 51.315. GENERAL EDUCATION CURRICULUM REVIEW. (a) In this section:

(1) "General education curriculum" means a core curriculum, as that term is defined by Section 61.821, and any other curriculum or competency all undergraduate students of an institution of higher education are required to complete before receiving an undergraduate degree.

(2) "Governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

(b) At least once every five years, the governing board of each institution of higher education shall conduct a comprehensive review of the general education curriculum established by the institution. In reviewing an institution's general education curriculum, the governing board shall ensure courses in the curriculum:

- (1) are foundational and fundamental to a sound postsecondary education;
- (2) are necessary to prepare students for civic and professional life;
- (3) equip students for participation in the workforce and in the betterment of

society;

(4) ensure a breadth of knowledge in compliance with applicable accreditation standards; and

(5) do not advocate or promote the idea that any race, sex, or ethnicity or any religious belief is inherently superior to any other race, sex, or ethnicity or any other religious belief.

(c) In reviewing the general education curriculum of an institution of higher education under Subsection (b), the governing board of the institution shall consider the potential costs the curriculum may impose on students, including for additional tuition, fees, and time a student must spend to complete an undergraduate degree program at the institution.

(d) Each institution of higher education shall annually submit to the governing board of the institution an update regarding any changes to the general education curriculum offered at the institution. The governing board may reserve the right to overturn any decision made by the institution regarding any changes to the general education curriculum offered at the institution.

(e) The governing board of an institution of higher education may appoint a committee to assist the governing board in carrying out its duties under this section, including by making recommendations to the governing board. Members of the committee may include:

- (1) faculty employed full time by the institution;
- (2) institution administrators;
- (3) community leaders;
- (4) industry representatives; and
- (5) other individuals selected by the governing board.

(f) Not later than January 1 of each year a review is conducted under this section, the governing board of each institution of higher education shall certify the governing board's compliance with this section to the Texas Higher Education Coordinating Board and each standing legislative committee and subcommittee with primary jurisdiction over higher education.

SECTION 1.02. Section 51.354, Education Code, is amended to read as follows:

Sec. 51.354. INSTITUTIONAL AUTHORITY AND RESPONSIBILITY. (a) The final decision-making authority on matters regarding an institution of higher education's degree programs and curricula belongs to the institution. The institution shall make the decisions on those matters under the direction of the institution's governing board.

(b) In addition to specific responsibilities imposed by this code or other law, each institution of higher education has the general responsibility to serve the public and, within the institution's role and mission, to:

- (1) transmit culture through general education;
- (2) extend knowledge;
- (3) teach and train students for professions;
- (4) provide for scientific, engineering, medical, and other academic research;
- (5) protect intellectual exploration and academic freedom;
- (6) strive for intellectual excellence;
- (7) provide educational opportunity for all who can benefit from postsecondary education and training; and
- (8) provide continuing education opportunities.

SECTION 1.03. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.989 to read as follows:

Sec. 51.989. REVIEW OF MINOR DEGREE AND CERTIFICATE PROGRAMS. (a) In this section, "governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

(b) The president or chief executive officer of an institution of higher education shall adopt and implement a process for reviewing minor degree and certificate programs offered by the institution to identify programs with low enrollment that may require consolidation or elimination.

(c) The criteria for review under Subsection (b) must require that minor degree and certificate programs have specific industry data to substantiate workforce demand to avoid consideration for consolidation or elimination.

(d) A minor degree or certificate program that has operated less than five years at the time the president or chief executive officer of an institution of higher education conducts the review under this section is exempt from that review.

(e) The governing board of an institution of higher education shall approve or deny any decision made by the president or chief executive officer of the institution to consolidate or eliminate a minor degree or certificate program as a result of the review conducted under this section.

(f) The president or chief executive officer of an institution of higher education shall conduct a review under this section once every five years.

SECTION 1.04. Section 61.052, Education Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) A governing board may exclude from the comprehensive list of courses submitted under Subsection (a) courses that were not taught as an organized class or provided through individual instruction for the preceding two academic years.

SECTION 1.05. Subchapter C, Chapter 61, Education Code, is amended by adding Section 61.0522 to read as follows:

Sec. 61.0522. GENERAL EDUCATION CURRICULUM ADVISORY COMMITTEE. (a) In this section:

(1) "Advisory committee" means the general education curriculum advisory committee established under this section.

(2) "General education curriculum" has the meaning assigned by Section 51.315.

(b) The board shall establish an advisory committee to review the general education curriculum requirements of institutions of higher education.

(c) The board shall call for nominations from presidents or chief executive officers, chancellors, and chief academic officers at all institutions of higher education for representatives to serve on the advisory committee. The board shall select a number of representatives determined by the board from those nominated with nominees drawn equally from two-year and four-year institutions.

(d) The advisory committee shall consider methods for determining general education curriculum component courses and for condensing the number of general education curriculum courses required at institutions of higher education.

(e) Not later than November 1, 2026, the advisory committee shall produce a report regarding the advisory committee's findings and recommendations under this section and provide the report to the board.

(f) Not later than December 31, 2026, the board shall review the advisory committee's report and submit to the legislature the board's recommendations for legislative or other action necessary to implement the findings of the report.

(g) The advisory committee is abolished and this section expires September 1, 2027.

SECTION 1.06. Not later than January 1, 2027, the governing board of each public institution of higher education shall:

(1) complete the governing board's initial review in accordance with Section 51.315, Education Code, as added by this Act; and

(2) certify compliance with Section 51.315, Education Code, as added by this Act, as required by Subsection (f) of that section.

## ARTICLE 2. INSTITUTIONAL GOVERNANCE

SECTION 2.01. Section 51.352, Education Code, is amended by amending Subsection (d) and adding Subsections (g) and (h) to read as follows:

(d) In addition to powers and duties specifically granted by this code or other law, each governing board shall:

(1) establish, for each institution under its control and management, goals consistent with the role and mission of the institution;

(2) appoint the chancellor or other chief executive officer of the system, if the board governs a university system;

(3) appoint the president or other chief executive officer of each institution under the board's control and management and evaluate the chief executive officer of each component institution and assist the officer in the achievement of performance goals;

(4) approve or deny the hiring of an individual for the position of provost or deputy, associate, or assistant provost by each institution under the board's control and management;

(5) collaborate with institutions under its control and management to set campus admission standards consistent with the role and mission of the institution and considering the admission standards of similar institutions nationwide having a similar role and mission, as determined by the coordinating board; and

(6) [(5)] ensure that its formal position on matters of importance to the institutions under its governance is made clear to the coordinating board when such matters are under consideration by the coordinating board.

(g) The governing board of an institution of higher education may overturn any hiring decision for the position of vice president or dean made by the administration of a campus under the board's control and management. Action by the governing board under this subsection shall be implemented by the institution through appropriate action with respect to the relevant hiring decision at issue, including rescission of an employment offer, termination of employment, or termination of an employment agreement.

(h) The governing board of each institution of higher education shall annually submit to the governor, the lieutenant governor, the speaker of the house of representatives, and each member of the legislature a report regarding decisions made by the governing board for the applicable academic year on any hiring of administration in which the board approved or denied the hiring decision or took action under Subsection (g).

SECTION 2.02. Subchapter G, Chapter 51, Education Code, is amended by adding Sections 51.3522, 51.3523, and 51.3541 to read as follows:

Sec. 51.3522. FACULTY COUNCIL OR SENATE. (a) In this section, "faculty council or senate" means a representative faculty organization.

(b) Only the governing board of an institution of higher education may establish a faculty council or senate at the institution. Before establishing the faculty council or senate, the governing board must adopt a policy governing the selection of the faculty council's or senate's members that:

(1) ensures adequate representation of each college and school of the institution;

(2) requires the members to be faculty members; and

(3) except as otherwise provided by the governing board, limits the number of members to not more than 60 with at least two representatives from each college or school, including:

(A) one member appointed by the president or chief executive officer of the institution; and

(B) the remaining members elected by a vote of the faculty of the member's respective college or school.

(c) A faculty council or senate is advisory only and may not be delegated the final decision-making authority on any matter. A faculty council or senate shall represent the entire faculty of the institution of higher education and advise the institution administration and any system administration regarding matters related to the general welfare of the institution. A faculty council or senate may not issue any statement or publish a report using the institution's official seal, trademark, or resources funded by the institution on any matter not directly related to the council's or senate's duties to advise the institution administration.

(d) Service on the faculty council or senate is an additional duty of the faculty member's employment. Members of the faculty council or senate are not entitled to compensation or reimbursement of expenses for their role as members of the faculty council or senate unless the expense is on behalf of and approved by the institution of higher education.

(e) A member of the faculty council or senate appointed by the president or chief executive officer of the institution of higher education in accordance with Subsection (b)(3)(A) may serve up to six consecutive one-year terms and then may only be reappointed after the second anniversary of the last day of the member's most recent term. A member of the faculty council or senate elected by a vote of the faculty of the member's respective college or school serves a two-year term, staggered in a manner that allows approximately one-half of the elected members to be elected each year, and may only be reelected after the second anniversary of the last day of the member's most recent term.

(f) A faculty member serving on the faculty council or senate may be immediately removed from the council or senate for failing to conduct the member's responsibilities within the council's or senate's parameters, failing to attend council or senate meetings, or engaging in other similar misconduct. A member of a faculty council or senate may be removed on recommendation of the institution's provost and approval by the institution's president or chief executive officer.

(g) The president or chief executive officer of the institution of higher education shall appoint a presiding officer, associate presiding officer, and secretary from the members of the faculty council or senate.

(h) The presiding officer appointed under Subsection (g) shall preside over meetings of the faculty council or senate and represent the council or senate in official communications with the institution administration and any system administration.

(i) Chapter 2110, Government Code, does not apply to a faculty council or senate.

(j) The faculty council or senate shall conduct meetings at which a quorum is present in a manner that is open to the public and in accordance with procedures prescribed by the president or chief executive officer of the institution of higher education.

(k) The faculty council or senate shall broadcast over the Internet live video and audio, as applicable, of each open meeting of the council or senate if more than 50 percent of the members of the council or senate are in attendance.

(l) The faculty council or senate shall adopt rules for establishing a quorum.

(m) The following shall be made available to the public on the institution of higher education's Internet website not later than the seventh day before a meeting of the faculty council or senate:

(1) an agenda for the meeting with sufficient detail to indicate the items that are to be discussed or that will be subject to a vote; and

(2) any curriculum proposals reviewed by the council or senate that will be discussed or voted on at the meeting.

(n) The names of the members in attendance must be recorded at a meeting in which the faculty council or senate conducts business related to:

or  
(1) a vote of no confidence regarding an institution or system administrator;

(2) policies related to curriculum and academic standards.

(o) This section may not be construed to limit a faculty member of an institution of higher education from exercising the faculty member's right to freedom of association protected by the United States Constitution or Texas Constitution.

Sec. 51.3523. SHARED GOVERNANCE. (a) In this section, "governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

(b) Institutions of higher education in this state shall be governed by a principle of shared governance, which refers to a structured decision-making process in which the governing board of the institution exercises ultimate authority and responsibility for institutional oversight, financial stewardship, and policy implementation, while allowing for appropriate consultation with faculty, administrators, and other stakeholders on matters related to academic policy and institutional operations. The principle of shared governance may not be construed to diminish the authority of the governing board to make final decisions in the best interest of the institution, students, and taxpayers.

(c) Administrators at institutions of higher education must make decisions in a manner that promotes efficiency, accountability, and responsiveness to state priorities, workforce needs, and the institution's institutional mission. Faculty and staff may provide recommendations on academic matters, but that input is only advisory in nature, ensuring that governing boards and institutional leadership retain clear and ultimate decision-making authority. Shared governance structures may not be used to obstruct, delay, or undermine necessary institutional reforms or serve as a mechanism for advancing ideological or political agendas.

Sec. 51.3541. RESPONSIBILITY OF PRESIDENT OR CHIEF EXECUTIVE OFFICER. (a) In this section, "governing board" and "institution of higher education" have the meanings assigned by Section 61.003.

(b) The president or chief executive officer of an institution of higher education shall conduct annual evaluations for individuals who hold the positions of vice president, provost, dean, or a similar leadership position that oversees curriculum or student affairs for the institution and report to the institution's governing board regarding any decision to remove an individual from a position described by this subsection.

SECTION 2.03. Section 51.913, Education Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) In ~~[As used in]~~ this section:

(1) "Executive ~~[- the term "executive]~~ search committee" means ~~[shall mean]~~ a committee formed by an act of a board of regents of an institution of higher education, which has as its primary purpose the evaluation and assessment of candidates and nominees for the position of president or chief executive officer of a system administration, institution of higher education, or other agency of higher education ~~[as defined in Section 61.003 of this code].~~

(2) "Institution of higher education" and "other agency of higher education" have the meanings assigned by Section 61.003.



(c) The membership of an executive search committee for a president or chief executive officer of an institution of higher education must include at least two members of the institution's governing board with at least one of those members serving as the chair.

SECTION 2.04. Subchapter Z, Chapter 51, Education Code, is amended by adding Section 51.9431 to read as follows:

Sec. 51.9431. GRIEVANCE, HIRING, AND DISCIPLINE DECISION-MAKING AUTHORITY. (a) In this section, "institution of higher education" and "university system" have the meanings assigned by Section 61.003.

(b) Only the president or chief executive officer or provost of an institution of higher education, university system administration, or the president's or chief executive officer's, provost's, or administration's designee may be involved in decision-making regarding review of a faculty grievance, including under Section 51.960, or the faculty discipline process.

(c) A faculty member of an institution of higher education who does not serve in an administrative leadership position may not have final decision-making authority on the hiring of an individual for any faculty or administrative leadership position at the institution.

### ARTICLE 3. COORDINATION AND OVERSIGHT OF INSTITUTIONS OF HIGHER EDUCATION

SECTION 3.01. Section 61.031, Education Code, is reenacted and amended to read as follows:

Sec. 61.031. OFFICE OF OMBUDSMAN [~~PUBLIC INFORMATION AND COMPLAINTS~~]. (a) In this section:

(1) "Office" means the Texas Higher Education Coordinating Board Office of the Ombudsman established under this section.

(2) "Ombudsman" means the individual serving as ombudsman for the office.

(b) The board shall establish the Texas Higher Education Coordinating Board Office of the Ombudsman to serve as an intermediary between the legislature and the public and institutions of higher education, including by answering questions from the legislature and the public regarding the obligations of an institution of higher education to students, faculty, employees, and the public. The office shall perform the functions described by this section and coordinate the board's compliance monitoring functions under Section 61.035. The ombudsman shall serve as the director of compliance and monitoring.

(b-1) The governor, with the advice and consent of the senate, shall appoint a person to serve as ombudsman. The ombudsman serves at the pleasure of the governor.

(c) The office shall receive and, if necessary, investigate complaints submitted in accordance with Subsection (d) regarding an institution of higher education's failure to comply with:

- (1) Section 51.315;
- (2) Section 51.3522;
- (3) Section 51.3525;
- (4) Section 51.3541;

(5) Section 51.9431; and

(6) Section 61.0522.

(d) A student or faculty or staff member at an institution of higher education who has reason to believe an institution of higher education has failed to comply with a provision listed under Subsection (c) may submit a written complaint to the office that:

(1) provides the individual's name and contact information;

(2) states the specific statute the individual believes has been violated; and

(3) includes specific facts supporting the allegation, including:

(A) relevant dates;

(B) identifying information regarding the individuals involved; and

(C) any supporting evidence in the individual's possession.

(d-1) An individual is not eligible to file a complaint under Subsection (d) if the individual has filed with another state agency, a federal agency, or a court, as applicable, one of the following against the institution of higher education that is the subject of the complaint:

(1) a lawsuit that makes the same or similar allegations or arises out of the same factual situation; or

(2) an administrative complaint that makes the same or similar allegations or arises out of the same factual situation.

(d-2) The office shall dismiss any complaint that the office determines was filed in violation of Subsection (d-1).

(d-3) An individual who knowingly submits a false complaint under Subsection (d) shall be held responsible for any costs incurred by the office in conducting an investigation resulting from the false complaint. The office may refuse to investigate a future complaint filed by an individual who is found to have knowingly filed a false complaint.

(e) The office [board] shall maintain a file on each written complaint filed with the board. The file must include:

(1) the name of the individual [person] who filed the complaint;

(2) the date the complaint is received by the board;

(3) the subject matter of the complaint;

(4) the name of each individual [person] contacted in relation to the complaint;

(5) a summary of the results of the review or investigation of the complaint; and

(6) an explanation of the reason the file was closed, if the office [board] closed the file without taking action other than to investigate the complaint.

(f) [(b)] The office [board] shall provide to the individual [person] filing the complaint and to each individual alleged to be involved in the failure to comply [person who is a subject of the complaint] a copy of the office's [board's] policies and procedures relating to complaint investigation and resolution.

(g) The office shall notify the governing board of the institution of higher education that is the subject of a complaint of noncompliance that meets the requirements under Subsection (d) not later than the fifth day after the date the office

receives the complaint. The governing board of the institution shall respond to the complaint not later than the 175th day after the date the governing board receives the notice unless the office has granted an extension for good cause.

(h) In investigating a complaint of noncompliance regarding an institution of higher education received under this section, the office may request information from the institution. The governing board of the institution shall respond in writing to the office's written request for information not later than the 30th day after the date the institution receives the request. This subsection may not be construed to require an institution to provide privileged information to the office.

(i) Based on findings related to an investigation under this section, the office shall submit to the governing board of the institution of higher education that is the subject of an investigation under this section a report on the investigation that includes the office's final determination regarding the investigation and recommendations based on the conclusions of the investigation.

(j) ~~(e)~~ The office ~~[board]~~, at least quarterly until final disposition of the complaint, shall notify the individual ~~[person]~~ filing the complaint and each individual alleged to be involved in the failure to comply ~~[person who is a subject of the complaint]~~ of the status of the investigation unless the notice would jeopardize an undercover investigation.

(k) If, not later than the 180th day after the date the office submits the report under Subsection (i) to the governing board of an institution of higher education that is the subject of an investigation under this section, the office determines the governing board has not resolved any noncompliance issues identified in the report, the office shall submit to the ombudsman and state auditor a report on the noncompliance that includes the office's recommendations.

(l) On receipt of a report under Subsection (k), the ombudsman may recommend to the legislature that the institution of higher education not be allowed to spend money appropriated to the institution for a state fiscal year until the institution's governing board certifies compliance and the state auditor confirms the institution's compliance.

(m) ~~(d)~~ Notwithstanding any other provision of law, information that relates to a current, former, or prospective applicant or student of an educational institution and that is obtained, received, or held by the office ~~[board]~~ for the purpose of providing assistance with access to postsecondary education is confidential and excepted from disclosure under Chapter 552, Government Code, and may only be released in conformity with the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g). The office ~~[board]~~ may withhold information prohibited from being disclosed under this subsection without requesting a decision from the attorney general under Subchapter G, Chapter 552, Government Code.

(n) The office may:

(1) issue a civil investigative demand in the same manner as the procedures prescribed by Subchapter B, Chapter 140B, Civil Practice and Remedies Code, for civil investigative demands issued by the attorney general or a local prosecuting attorney under that subchapter; and

(2) require cooperation from an institution of higher education in an investigation under this section if the office determines a complaint of noncompliance with a provision listed under Subsection (c) is credible.

(o) The office shall annually submit a report to the governor, the lieutenant governor, the state auditor, and the chair of each standing legislative committee with jurisdiction over higher education regarding:

(1) the number of complaints of noncompliance with a provision listed under Subsection (c) received by the office;

(2) the number of investigations conducted and substantiated by the office;  
and

(3) a summary of the results of investigations described by Subdivision (2).

SECTION 3.02. Section 61.0512(c), Education Code, is amended to read as follows:

(c) The board shall review each degree or certificate program offered by an institution of higher education at the time the institution requests to implement a new program to ensure that the program:

(1) meets a national need or is needed by the state and the local community, and does not unnecessarily duplicate programs offered by other institutions of higher education or private or independent institutions of higher education;

(2) has adequate financing from legislative appropriation, funds allocated by the board, or funds from other sources;

(3) has necessary faculty and other resources to ensure student success; and

(4) meets academic standards specified by law or prescribed by board rule, including rules adopted by the board for purposes of this section, or workforce standards established by the Texas Workforce Investment Council.

SECTION 3.03. Section 61.084, Education Code, is amended by amending Subsection (d) and adding Subsection (i) to read as follows:

(d) The content of the instruction at the training program shall focus on the official role and duties of the members of governing boards and shall provide training in the areas of budgeting, policy development, ethics, and governance. Topics covered by the training program must include:

(1) auditing procedures and recent audits of institutions of higher education;

(2) the enabling legislation that creates institutions of higher education;

(3) the role of the governing board at institutions of higher education and the relationship between the governing board and an institution's administration, faculty and staff, and students, including limitations on the authority of the governing board;

(4) the mission statements of institutions of higher education;

(5) disciplinary and investigative authority of the governing board;

(6) the requirements of the open meetings law, Chapter 551, Government Code, and the open records law, Chapter 552, Government Code;

(7) the requirements of conflict of interest laws and other laws relating to public officials;

(8) any applicable ethics policies adopted by institutions of higher education or the Texas Ethics Commission;

(9) the requirements of laws relating to the protection of student information under the Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Section 1232g) or any other federal or state law relating to the privacy of student information; ~~[and]~~

(10) an overview of the legislature, the General Appropriations Act, and the state budget as those topics relate to the responsibilities of the governing board;

(11) an emphasis on the commitment the members of the governing board are making to:

(A) the institutions of higher education under the board's control and management and, if applicable, the university system;

(B) this state; and

(C) taxpayers of this state; and

(12) any other topic relating to higher education the board considers important.

(i) On completion of a training program under this section, a member of a governing board shall provide a sworn statement affirming the member's understanding of the member's duties and responsibilities.

#### ARTICLE 4. APPLICABILITY; EFFECTIVE DATE

SECTION 4.01. (a) Except as provided by Subsection (b) of this section, this Act applies beginning January 1, 2026.

(b) A faculty council or senate established at a public institution of higher education before the effective date of this Act is abolished on September 1, 2025, unless:

(1) the faculty council or senate was established in the manner prescribed by Section 51.3522, Education Code, as added by this Act; or

(2) the faculty council's or senate's continuation is ratified by the institution's governing board before that date based on a finding by the governing board that the faculty council or senate meets the requirements of any policy adopted by the governing board under that section.

(c) A faculty council or senate authorized but not yet established at a public institution of higher education before the effective date of this Act may be established only in the manner prescribed by Section 51.3522, Education Code, as added by this Act.

SECTION 4.02. This Act takes effect September 1, 2025.

The Conference Committee Report on **SB 37** was filed with the Secretary of the Senate.

#### **CONFERENCE COMMITTEE REPORT ON SENATE BILL 2601**

Senator Blanco submitted the following Conference Committee Report:

Austin, Texas

May 29, 2025

Honorable Dan Patrick  
President of the Senate

Honorable Dustin Burrows  
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on **SB 2601** have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

BLANCO  
BIRDWELL  
FLORES  
KOLKHORST  
J. HINOJOSA  
On the part of the Senate

GUILLEN  
LUJAN  
MCLAUGHLIN  
MUÑOZ  
RAYMOND  
On the part of the House

A BILL TO BE ENTITLED  
AN ACT

relating to the landowner compensation program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 68. Article 56C.001(2), Code of Criminal Procedure, is amended to read as follows:

(2) "Border crime" means conduct:

(A) constituting an offense under:

- (i) Subchapter D, Chapter 481, Health and Safety Code;
- (ii) Section 20.05, 20.06, or 38.04, Penal Code; or
- (iii) Chapter 20A, Penal Code; and

(B) involving transnational criminal activity.

SECTION 69. Article 56C.003, Code of Criminal Procedure, is amended to read as follows:

Art. 56C.003. LANDOWNER COMPENSATION PROGRAM. (a) From the funding sources described by Subsection (a-1) ~~[money appropriated for the purpose]~~, the attorney general shall establish and administer a program to compensate landowners and lessees who suffer real property damage on agricultural land, or damage to livestock, timber, or crops on agricultural land, caused by:

(1) a trespasser as a result of an offense under Chapter 28, Penal Code, that was committed in the course of or in furtherance of a border crime; or

(2) a law enforcement response to a trespasser who was engaged in a border crime.

(a-1) The attorney general may use money from the following sources to establish the program described by Subsection (a):

(1) money appropriated, credited, or transferred by the legislature for purposes of the program; and

(2) grants and reimbursements received from the federal government for purposes of the program.

(b) The attorney general shall establish:

(1) eligibility criteria for compensation under this article, including requirements for providing proof of eligibility for compensation;

(2) application procedures;  
(3) criteria for evaluating applications and awarding compensation;  
(4) guidelines related to compensation amounts, provided that the maximum amount awarded per incident causing damage may not exceed a total of \$75,000 and any portion of damages attributable to livestock, timber, or crops may not exceed \$10,000; and

(5) procedures for monitoring the use of compensation awarded under this article and ensuring compliance with any conditions of the award.

(b-1) For purposes of Subsection (a), damage caused to agricultural land includes any debris, pollutants, or contaminants left on the land during the applicable incident, and compensation awarded under this article may include an amount necessary to clean up the debris, pollutants, or contaminants to restore the soil to its agricultural use.

(c) The attorney general may not award compensation under this article for ~~[real property]~~ damage caused by a trespasser described by Subsection (a)(1) unless the damage is documented in a written report by a law enforcement agency as having occurred in connection with a border crime.

(c-1) On request by the attorney general and not later than the 14th business day after the date of the request, a law enforcement agency shall release to the attorney general all reports, including witness statements and criminal history record information, to allow the attorney general to determine whether a person qualifies for an award of compensation under this article and the extent of the damage.

(c-2) The attorney general may not award compensation under this article to a lessee for real property damage caused by a trespasser described by Subsection (a)(1) unless the lessee provides a notarized statement from the landowner authorizing the lessee to directly receive compensation awarded under this article for the damage.

(d) In awarding compensation under this article for ~~[real property]~~ damage caused by a trespasser described by Subsection (a)(1), the attorney general may not consider the outcome of any criminal prosecution arising out of:

(1) the offense under Chapter 28, Penal Code, as a result of which the applicant suffered ~~[property]~~ damage; or

(2) the applicable offense listed in Article 56C.001(2)(A).

SECTION 70. Article 56C.006(a), Code of Criminal Procedure, is amended to read as follows:

(a) The program established under Article 56C.003 is a payer of last resort for ~~[real property]~~ damage described by that article.

SECTION 71. Sections 552.132(a), (b), (c), and (d), Government Code, are amended to read as follows:

(a) Except as provided by Subsection (d), in this section, "crime victim or claimant" means:

(1) a victim or claimant under Chapter 56B, Code of Criminal Procedure, who has filed an application for compensation under that chapter; or

(2) a person who has filed an application for compensation under Chapter 56C, Code of Criminal Procedure.

(b) The following information held by ~~[the crime victim's compensation division of]~~ the attorney general's office in connection with an application for compensation under Chapter 56B or 56C, Code of Criminal Procedure, is confidential:

(1) the name, social security number, address, or telephone number of a crime victim or claimant; or

(2) any other information the disclosure of which would identify or tend to identify the crime victim or claimant.

(c) If the crime victim or claimant is awarded compensation under Article 56B.103, ~~[or]~~ 56B.104, or 56C.003, Code of Criminal Procedure, as of the date of the award of compensation, the name of the crime victim or claimant and the amount of compensation awarded to that crime victim or claimant are public information and are not excepted from the requirements of Section 552.021.

(d) An employee of a governmental body who is also a victim under Chapter 56B, Code of Criminal Procedure, or has suffered property damage for which the employee is eligible for compensation under Chapter 56C of that code, regardless of whether the employee has filed an application for compensation under the applicable ~~[that]~~ chapter, may elect whether to allow public access to information held by the attorney general's office or other governmental body that would identify or tend to identify the employee ~~[victim]~~, including a photograph or other visual representation of the employee ~~[victim]~~. An election under this subsection must be made in writing on a form developed by the governmental body, be signed by the employee, and be filed with the governmental body before the third anniversary of the latest to occur of one of the following:

(1) the date the crime was committed or the property damage occurred, as applicable;

(2) the date employment begins; or

(3) the date the governmental body develops the form and provides it to employees.

SECTION 72. Section 2251.052, Insurance Code, is amended by adding Subsection (a-1) to read as follows:

(a-1) In setting rates, an insurer may not consider whether a claim has been made by or on behalf of a policyholder in relation to an event documented by a report described by Article 56C.003(c), Code of Criminal Procedure.

SECTION 73. Chapter 56C, Code of Criminal Procedure, as amended by this Act, applies only to compensation for damages incurred in connection with conduct constituting an offense occurring on or after the effective date of this Act. Compensation for damages incurred in connection with conduct constituting an offense occurring before the effective date of this Act is governed by the law in effect on the date the conduct occurred, and the former law is continued in effect for that purpose. For purposes of this section, conduct constituting an offense occurred before the effective date of this Act if any element of the offense occurred before that date.



SECTION 74. Section 2251.052(a-1), Insurance Code, as added by this Act, applies only to an insurance policy that is delivered, issued for delivery, or renewed on or after January 1, 2026. A policy delivered, issued for delivery, or renewed before January 1, 2026, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 75. This Act takes effect September 1, 2025.

The Conference Committee Report on **SB 2601** was filed with the Secretary of the Senate.

### **CO-AUTHOR OF SENATE BILL 1988**

On motion of Senator Hall, Senator Hagenbuch will be shown as Co-author of **SB 1988**.

### **CO-AUTHOR OF SENATE BILL 2027**

On motion of Senator Campbell, Senator Middleton will be shown as Co-author of **SB 2027**.

### **CO-SPONSOR OF HOUSE BILL 14**

On motion of Senator Schwertner, Senator Perry will be shown as Co-sponsor of **HB 14**.

### **CO-SPONSORS OF HOUSE BILL 20**

On motion of Senator Schwertner, Senators Blanco, J. Hinojosa, Miles, Sparks, West, and Zaffirini will be shown as Co-sponsors of **HB 20**.

### **CO-SPONSOR OF HOUSE BILL 2594**

On motion of Senator Creighton, Senator West will be shown as Co-sponsor of **HB 2594**.

### **CO-SPONSOR OF HOUSE BILL 2963**

On motion of Senator Hall, Senator Kolkhorst will be shown as Co-sponsor of **HB 2963**.

## **ADJOURNMENT**

On motion of Senator Zaffirini, the Senate at 6:52 p.m. adjourned until 11:00 a.m. tomorrow.

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## **APPENDIX**

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### **BILLS AND RESOLUTION ENROLLED**

May 29, 2025

**SB 22, SB 25, SB 36, SB 38, SB 204, SB 612, SB 672, SB 766, SB 823, SB 876, SB 1207, SB 1230, SB 1313, SB 1318, SB 1448, SB 1621, SB 1644, SB 1718, SB 1758, SB 2177, SB 2232, SB 2406, SB 2480, SB 2501, SB 2515, SB 2520,**

**SB 2589, SB 2786, SB 3048, SB 3050, SB 3053, SB 3056, SR 625**

**SIGNED BY GOVERNOR**

May 29, 2025

**SB 746, SB 901, SB 984, SB 992, SB 1018, SB 1020, SB 1079, SB 1177, SB 1214, SB 1227, SB 1351, SB 1895, SB 1931, SB 2141, SB 3044, SCR 1, SCR 6, SCR 22, SCR 37**

**FILED WITHOUT SIGNATURE OF GOVERNOR**

May 29, 2025

**SB 434, SB 1173, SB 3037**